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STATE OF ALASKA

THE REGULATORY COMMISSION OF ALASKA

Before Commissioners:

Robert M. Pickett, Chairman
Stephen McAlpine
Rebecca Pauli
Norman Rokeberg
Janis W. Wilson

In the Matter of Investigation into the Elimination)
and Redistribution of Duplicate Support for 4G)
LTE Service Under the Alaska Plan by the)
Federal Communications Commission)

I-16-003
ORDER NO. 1

ORDER OPENING DOCKET OF INVESTIGATION
AND REQUESTING COMMENTS

BY THE COMMISSION:

Summary

We open an informational docket and invite comments on how the Commission should respond to a further notice of proposed rulemaking (FNPRM) regarding the elimination and redistribution of duplicate support for 4G LTE wireless service under the Alaska Plan issued by the Federal Communications Commission (FCC).¹

Background

On August 23, 2016, the FCC adopted an order approving, with modifications, the Alaska Plan advocated by many of the carriers comprising the Alaska Telephone Association (ATA). The Alaska Plan extends high-cost support for certain Alaska rate-of-return carriers at 2011 levels and for their wireless carrier affiliates at

¹Report and Order and Further Notice of Proposed Rulemaking, FCC 16-115, adopted August 23, 2016 (Alaska Plan FNPRM).

1 2014 levels for remote areas over the next ten years in exchange for commitments to
2 deploy networks capable of providing benchmarked broadband and mobile broadband
3 service. Commitments are reassessed before year five, and adjustments to
4 performance obligations are permitted for carriers that serve areas with limited
5 middle-mile transport facilities. The FCC also sought input on how to eliminate and
6 redistribute high-cost support in remote areas that have more than one carrier providing
7 4G LTE wireless service over its own facilities. At our October 26, 2016, public
8 meeting, we decided to open a docket of investigation to receive input from interested
9 parties that would inform any formal comments we may decide to issue related to the
10 Alaska Plan FNPRM.²

11 Discussion

12 We invite interested persons to provide comments to assist us in
13 preparing our response, if any, to the Alaska Plan FNPRM.

14 Mechanism for Eliminating Duplicative Funding

15 We seek comment on the issues raised by the Alaska Plan FNPRM
16 concerning the mechanism for identifying and eliminating duplicative support in a given
17 area,³ including whether support should be eliminated for each carrier and, if only one
18 carrier will continue to receive support, the criteria for deciding which carrier prevails.
19 We are particularly interested in which mechanisms proposed by the FCC would best
20 promote stability and certainty to help carriers appropriately plan and invest in their
21 respective networks, while also encouraging carriers to deploy networks quickly and
22 responsibly so that most if not all of remote Alaska will be able to enjoy the benefits of
23 modern telecommunications as a result of the FCC's continued commitment to remote
24 areas of Alaska.

25 ²Tr. 32-33.

26 ³Alaska Plan FNPRM ¶ 109.

1 Redistribution of Duplicative Support

2 Once any duplicative support is identified, the FCC seeks comments on
3 where and to what purpose those duplicative support funds should be redistributed.⁴
4 The FCC proposes that those funds be redistributed to support other mobile services in
5 high-cost areas of Alaska, but seeks comment on this proposal and on the best way to
6 use redistributed funds.⁵ Should funds be redirected to deploying last-mile facilities to
7 unserved remote areas of the state? Should the redistributed funds instead be used to
8 help deploy middle-mile facilities to areas of Alaska that currently lack critical
9 infrastructure necessary for mobile and wireline broadband service, or would this
10 redistribution stray beyond the scope of the problem the Alaska Plan was designed to
11 address?⁶

12 Immediate Redistribution or Gradual Phase Down

13 For carriers that lose funding due to the elimination of duplicate support,
14 the FCC seeks comment on how to address those carriers' performance obligations and
15 support payments.⁷ The FCC seeks comments on its proposal that a carrier serving
16 overlap areas be required to amend its performance plan so that 4G LTE overlap areas
17 are no longer counted toward overall performance commitments.⁸ The FCC also seeks
18 comments on whether duplicate support should be phased down over several years, or
19 be eliminated immediately following the year-five reassessment.⁹ Would it make sense

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21 ⁴Alaska Plan FNPRM ¶ 110.

22 ⁵Alaska Plan FNPRM ¶ 110.

23 ⁶Alaska Plan FNPRM at ¶ 74 (in rejecting a middle mile proposal by Alaska
24 Communications Systems, noting that the middle mile proposal "would require changes
25 to several different universal service mechanisms outside the scope of this
26 proceeding.").

⁷Alaska Plan FNPRM ¶ 111.

⁸Alaska Plan FNPRM ¶ 111.

⁹Alaska Plan FNPRM ¶ 111.

1 to immediately eliminate funding after the reassessment period if the mechanism for
2 determining continued support is based, for instance, on a reverse auction? Would
3 doing so incent carriers to make competitive bids? Conversely, would it be prudent to
4 phase down support if a “first to serve” race mechanism is chosen as the basis for
5 determining the continued winner of support to encourage multiple carriers to make
6 quick network commitments in an area without guarantees of ongoing support. Should
7 the timeline for eliminating duplicate support to one or more carriers providing service in
8 an overlapping area be made dependant on the mechanism chosen by the FCC to
9 determine the winner of support?

10 Other Issues

11 The FCC also seeks comments on any other aspects of duplicate support
12 elimination proposal it may have overlooked,¹⁰ and we direct those interested to provide
13 us with guidance on any issue related to the elimination and/or redistribution of
14 duplicative high cost support that may occur in remote Alaska.

15 Timeline for Comments

16 The FCC has allotted 60 days from the FNPRM’s publication in the
17 Federal Register for initial comments, with an additional 30 days for reply comments.¹¹
18 The deadlines for filing comments with the FCC are therefore December 6, 2016, for
19 initial comments and January 5, 2017, for reply comments. To accommodate these
20 deadlines, initial comments responding to this order are due by 5 p.m. on December 6,
21 2016, to coincide with the FCC’s initial comment deadline. Reply comments should be
22 made with us no later than 5 p.m., December 13, 2016.

24 ¹⁰Alaska Plan FNPRM at ¶ 112.

25 ¹¹The Alaska Plan FNPRM was published in the Federal Register on October 7,
26 2016.

1 We recognize that it may be difficult to file original comments with us given
2 the complexity of the issues identified in the FNPRM and the short timelines involved.
3 We encourage interested parties to file copies of comments they submit to the FCC in
4 this docket in addition to or, if necessary, in place of recommendations regarding this
5 agency's response to the FCC FNPRM. After review of the comments, we will
6 determine at a public meeting whether to submit our own reply comments in response
7 to the Alaska Plan FNPRM.

8 **ORDER**

9 THE COMMISSION FURTHER ORDERS:

10 1. By December 6, 2016, interested persons shall file comments on the
11 issues discussed in the body of this order.

12 2. By December 13, 2016, interested persons shall file reply comments to
13 any comments filed in response to Ordering Paragraph No. 1.

14 DATED AND EFFECTIVE at Anchorage, Alaska, this 4th day of November, 2016.

15 BY DIRECTION OF THE COMMISSION

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