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

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In the Matter of
Connect America Fund
Connect America Fund Alaska Plan

WC Docket No. 10-90

Connect America Fund – Alaska Plan

WC Docket No. 16-271

## COMMENTS OF NTCA-THE RURAL BROADBAND ASSOCIATION

NTCA–The Rural Broadband Association ("NTCA")<sup>1</sup> hereby submits these comments in response to the Public Notice<sup>2</sup> seeking comment on a Petition for Expedited Rulemaking filed by the Alaska Telecom Association ("ATA").<sup>3</sup> The Petition asks the Federal Communications Commission (the "Commission") to update and extend the Alaska Plan and Connect America Fund Phase II ("CAF Phase II") high-cost support for fixed and mobile carriers serving the state of Alaska.<sup>4</sup> ATA notes that "extending and refreshing" the Alaska Plan now is necessary to provide the funding necessary to make both existing and new broadband networks in Alaska sustainable and affordable long term.<sup>5</sup>

<sup>4</sup> *Id*. at p. 1.

<sup>5</sup> *Id.* at p. 2.

<sup>&</sup>lt;sup>1</sup> NTCA–The Rural Broadband Association represents approximately 850 independent, community-based companies and cooperatives that provide advanced communications services in rural America and more than 400 other firms that support or are themselves engaged in the provision of such services.

<sup>&</sup>lt;sup>2</sup> Consumer and Governmental Affairs Bureau Reference Information Center Petition for Rulemakings Filed, RM No. 11942, WC Docket No. 16-271, Public Notice, Report No. 3190 (rel. Jan. 24, 2023).

<sup>&</sup>lt;sup>3</sup> Alaska Telecom Ass'n Petition for Expedited Rulemaking, WC Docket Nos. 10-90, 16-271 (fil. Jan. 4, 2023) ("Petition").

NTCA supports ATA's request to extend Alaska Plan support through 2034 and therefore urges the Commission to move forward expeditiously with rulemaking procedures to achieve this outcome. The Alaska Plan, like other high-cost universal service fund ("USF") programs, is critical to making the business case for investment in broadband-capable networks and allowing consumers access to more robust services at more affordable rates. It is important that USF programs like the Alaska Plan keep pace with consumer demand, evolutions in the communications marketplace, and broader economic factors. While the Alaska Plan has been highly successful in "getting and keeping Americans connected," updates to the plan are needed now to ensure that any new network construction will be more comparable to that expected by the Infrastructure Investment and Jobs Act of 2021 (the "IIJA") and thus better able to deliver reliable, affordable broadband service to the remote corners of Alaska for years to come.

Indeed, the Petition offers the Commission the chance to leverage an already existing and highly successful support mechanism to advance the state of broadband connectivity in some of the remote terrain in the United States, and the agency would be remiss if it passed up this opportunity. A broadband connection is a lifeline to those Americans that simply cannot do their jobs or educate their children absent the ability to access video calling, Virtual Private Networks, and other applications that require a robust connection. With the impetus for advancing the speeds available to consumers all across the nation obvious, and given a statutory mandate to ensure that reasonably comparable services are available in urban and rural areas alike, the proposals made in the Petition present an efficient means of keeping pace with a statutory mandate for reasonable comparability.<sup>6</sup> Taking action on the Petition and ultimately adopting

<sup>&</sup>lt;sup>6</sup> 47 U.S.C. § 254(b)(3).

reforms suggested therein would also be comparable to – and an effective Alaska-specific complement to – long-pending proposals to update Connect America Fund-Broadband Loop Support ("CAF-BLS")<sup>7</sup> and the Alternative Connect America Model ("A-CAM"),<sup>8</sup> providing pathways for existing providers with a proven track record of performance under prior USF programs to deliver higher speeds in the face of challenges such as distance, remoteness, permitting access for crossing federal lands, and even the limited hours available to construct and maintain these crucial networks due to unfavorable weather and shortened daylight in Alaska.

NTCA also agrees that more funding would not only benefit new and existing customers needing broadband service in Alaska but also build upon the investments the Commission has already made in this area. As ATA pointed out, network providers have made full and effective use of the funds made available to them through the Commission's Alaska Plan and through the CAF Phase II support in Alaska.<sup>9</sup> Yet even these funding mechanisms are frozen based upon 2009 costs, which are outdated and far below the present costs of network components. The Commission has previously recognized the impact inflation has had on universal service funding mechanisms including E-Rate, rural health care, and CAF-BLS. Given that Alaska providers have effectively worked to advance broadband in the most remote reaches of the nation leveraging cost recovery mechanisms based upon 14-year-old costs, it is appropriate and

<sup>&</sup>lt;sup>7</sup> See, e.g., Comments of NTCA, WC Docket No. 10- 90, et al. (filed July 18, 2022); Reply Comments of NTCA, WC Docket No. 10-90, et al. (filed Aug. 1, 2022); *Ex Parte* Letter from Michael R. Romano, Executive Vice President, NTCA, to Marlene H. Dortch, Secretary, Commission, WC Docket No. 10-90, et al. (filed Oct. 14, 2022).

<sup>&</sup>lt;sup>8</sup> See Connect America Fund, et al., WC Docket No. 10-90, et al., Notice of Proposed Rulemaking (rel. May 20, 2022).

<sup>&</sup>lt;sup>9</sup> "The Alaska Plan and Connect America Fund Phase II made significant inroads in Alaska's digital divide. Over 70,000 locations have new or upgraded fixed service, with more than half of those at speeds of 25/3 Mbps or better. On the mobile side, the Alaska Plan allowed the mobile participants to bring 4G LTE to almost 50,000 of Alaska's most remote residents." Petition at p. 2.

necessary to take a fresh look now at what constitutes sufficient and predictable support consistent again with the governing statutory mandate.<sup>10</sup>

While the years that have passed since the Alaska Plan funding levels were established have seen the cost of network components increase, so have the speeds needed to deliver the broadband services that have made broadband so critical to individuals and businesses. As ATA noted in its Petition, the Commission has a history of adjusting other universal service funding mechanisms, such as E-Rate and rural health care, for inflation.<sup>11</sup> Accordingly, the Commission can use this opportunity to recalibrate the Alaska Plan to reflect not only the current cost of network components but also current broadband speeds. In particular, NTCA supports ATA's recommendation that the Commission use this opportunity to work with Alaska Plan participants to update their performance obligations based on their needs and capabilities and with an eye toward achieving again the goal of reasonable comparability. Doing so will ensure Alaska residents continue to receive broadband service that is reliable and affordable.

Finally, granting the changes to the Alaska Plan requested by ATA at this time is appropriate. As the Broadband Equity Access and Deployment ("BEAD") program is implemented and eligible areas for funding under that program are identified, upgraded service level commitments made under an updated Alaska Plan can be factored into such planning and thereby allow BEAD funds to go further to serve areas in greater need or otherwise work in complement with the Alaska Plan. Combining the resources of various federal programs can fortify rural broadband achievement by improving and expanding existing network infrastructure

<sup>&</sup>lt;sup>10</sup> 47 U.S.C. § 254(b)(5).

<sup>&</sup>lt;sup>11</sup> Petition at p. 18.

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and sustaining services of the highest quality thereafter, while also ensuring that federal resources go as far as they can in reaching every unserved and underserved American.

For the foregoing reasons, NTCA urges the Commission to use this opportunity to begin work on updating Alaska Plan and CAF Phase II support to leverage and build upon the progress of network providers who have already demonstrated a commitment to deliver and maintain quality, affordable Internet access in this remote and hard to serve region and enable them to continue to keep pace with evolving consumer demand for years to come.

Respectfully submitted,



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