

**Before the  
Federal Communications Commission  
Washington, DC 20554**

In the Matter of	)	
	)	
Connect America Fund	)	WC Docket No. 10-90
	)	
Alaska Connect Fund	)	WC Docket No. 23-328
	)	
Universal Service Reform – Mobility Fund	)	WC 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
	)	

**REPLY COMMENTS OF  
NTCA–THE RURAL BROADBAND ASSOCIATION**

NTCA–The Rural Broadband Association (“NTCA”) hereby files these Reply Comments pursuant to the Notice of Proposed Rulemaking in the above-captioned proceedings.<sup>1</sup> The comments submitted in response to the NPRM indicate substantial support for building upon the successful Alaska Plan high-cost universal service fund (“USF”) program by extending this initiative and for transforming it into an Alaska Connect Fund (“ACF”) that will deliver higher-level services at more affordable rates to even more Alaskan residents, businesses, and critical anchor institutions. Based upon this record, the Federal Communications Commission (the “Commission”) should proceed as promptly as possible to create the ACF and to take the steps necessary to coordinate its operations with other broadband funding initiatives.

---

<sup>1</sup> *Connect America Fund, et al.*, WC Docket Nos. 10-90, *et al.*, Notice of Proposed Rulemaking and Report and Order (rel. Oct. 20, 2023) (“NPRM”).

As NTCA observed in its initial comments, federal broadband funding initiatives have too frequently in the past suffered from two conceptual flaws: (1) the desire to remake policies and programs from scratch in lieu of learning from, building upon, and adjusting as needed based upon what has worked well previously; and (2) a focus almost entirely and exclusively on *getting* services to areas such that *keeping* services available and affordable is neglected or even overlooked altogether.<sup>2</sup> Fortunately, in more recent programs and reforms, the Commission has largely sought to avoid such missteps, and the record here underscores the importance of doing so as well in structuring the ACF.

For example, the Alaska Telecom Association (“ATA”) devoted substantial discussion in its comments to how this proceeding “provides the opportunity for the Commission to harmonize and consolidated the current mechanisms” that distribute USF support in Alaska.<sup>3</sup> The ATA rightly noted that each of the existing Alaska Plan, Connect America Fund Phase II, and Alternative Connect America Cost Model (“ACAM”) programs formed “the basis for investment in delivering voice and broadband service in Alaska”<sup>4</sup> and that each has made significant progress in advancing the availability and affordability of such services in the State.<sup>5</sup> ATA further highlighted that various conditions faced in Alaska – including extreme weather and temperatures, limited daylight hours, sheer landmass and small populations, and lack of road and unified electric

---

<sup>2</sup> Comments of NTCA, WC Docket Nos. 10-90, *et al.* (filed Jan. 16, 2024), at 2.

<sup>3</sup> Comments of ATA, WC Docket Nos. 10-90, *et al.* (filed Jan. 16, 2024), at 2.

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

<sup>5</sup> *Id.* at 7-8.

infrastructure – all contribute to the need for a plan that reflects the challenges of serving the State but also is harmonized for the providers that operate there.<sup>6</sup>

These assessments of the effectiveness of current mechanisms in Alaska and the opportunity (and need) to build upon them by harmonizing and updating them are echoed by others. Alaska Power & Telephone Company (“AP&T”), for example, noted that while it has made significant strides to connect its customers leveraging the existing ACAM program, it did not elect the enhanced ACAM offering given the remote nature of its serving area and other considerations.<sup>7</sup> AP&T therefore rightly suggested that the remaining ACAM companies – which face expiration of that model support term in coming years – be given the opportunity to obtain predictable and sufficient support through a harmonized ACF initiative that is specifically designed for and thus more reflective of Alaska-specific challenges.<sup>8</sup> Similarly, the Alaska Remote Carrier Coalition (“ARCC”) supports the creation of the ACF and identified a list of obligations that should be expected of support recipients that appear in material part to build upon (but update) expectations already imposed upon recipients of Alaska Plan support.<sup>9</sup>

Indeed, it is clear that updates to the public interest obligations of support recipients will be key to the success of an ACF initiative, so that Alaskan consumers can realize the benefits of “reasonably comparable” services at “reasonably comparable” rates to those available in urban areas as required by law. It is also clear that the budget for the ACF must provide predictable and sufficient support as required by law to fulfill those obligations and that that the current budget,

---

<sup>6</sup> *Id.* at 5-6.

<sup>7</sup> Comments of AP&T, WC Docket Nos. 10-90, *et al.* (filed Jan. 16, 2024), at 6-12.

<sup>8</sup> *Id.* at 20-23.

<sup>9</sup> Comments of ARCC, WC Docket Nos. 10-90, *et al.* (filed Jan. 16, 2024), at 9-13.

which is premised upon adjusted 2011 support levels (which were in turn based upon 2009 costs), is insufficient to meet meaningfully upgraded obligations.<sup>10</sup> Moreover, it cannot be overlooked that USF support is intended and provided not only to promote investment, but also specifically for the purpose of sustaining operations – all against the backdrop of an ultimate objective to ensure rural consumers have access to services at relatively affordable rates.<sup>11</sup> For these reasons, a budget that is revised through inflationary factors and other measures is essential, in lieu of simply holding fast to a 13-year-old budget based upon 15-year-old costs that do not reflect to today’s or tomorrow’s challenges and network capabilities.

With respect to how such public interest obligations should be developed, the record supports an approach that tailors deployment requirements in each area to the challenges presented in that area. As ATA stated, while it may be appropriate to set a general overarching benchmark of 100/20 Mbps for fixed broadband in many areas, factors of the kind noted earlier – extreme weather, extremely low population densities, and vast geographies – preclude a formulaic, one-size-fits-all prescription of deployment duties.<sup>12</sup> Relatedly, the ARCC raised the important concern that, in the absence of reasonable support for more robust middle mile connectivity as

---

<sup>10</sup> ATA Comments at 11-12; *see also* Comments of Alaska Communications, WC Docket Nos. 10-90, *et al.* (filed Jan. 16, 2024), at 27-28 (highlighting how frozen support does not square with obligations to deliver higher levels of broadband service to consumers); AP&T Comments at 20-23 and 24-27 (discussing the ongoing costs associated with providing services in remote areas); ARCC Comments at 17 (noting that funding is needed not only for last-mile deployment but also for middle mile access to satisfy updated performance obligations).

<sup>11</sup> NTCA Comments at 8-9 (“Nothing in [the Communications Act of 1934, as amended (the ‘Act’)] offers any indication that promoting and advancing the mission of universal service is a one-time act, and to the contrary, they make clear that the Commission’s USF mechanisms cannot neglect to provide ongoing support sufficient to achieve these aims going forward.”).

<sup>12</sup> ATA Comments at 19-20.

well, a singular focus on the deployment of last-mile connectivity alone will in some areas yield ineffective results.<sup>13</sup> Furthermore, Alaska Communications explained how the development of a cost model that more accurately reflects Alaska-specific costs could be useful to help identify where 100/20 Mbps services might be delivered and to offer providers an option to elect support based upon such a revised and refined model to fulfill such obligations.<sup>14</sup> Taken together, all of these comments rightly underscore the importance of calibrating obligations for the challenges presented, and then calibrating support to overcome such challenges and meet such obligations initially and on an ongoing basis.

Of course, part of building efficiently upon proven and existing mechanisms necessitates leveraging proven providers and existing networks where possible. To this end, rather than heeding the call of those few parties that beg the Commission to ignore the terms of the Act and to jettison the concept of only distributing USF support to eligible telecommunications carriers (“ETCs”) or somehow otherwise make this process “more competitive,”<sup>15</sup> the Commission should reassert its commitment to this statutory framework and ensure accountability in the use of funds through ETC designation and oversight. As NTCA explained its initial comments, not only does the law require as much, but there is no practical reason to cast ETC requirements aside given no party has shown them to present an unreasonable barrier to receipt of support in the past under any

---

<sup>13</sup> ARCC Comments at 17; *see also* Petition for Rulemaking of the ARCC, WC Docket No. 16-271, RM-11938 (filed Nov. 29, 2022) (proposing a support mechanism to address the extremely high middle mile costs faced in Alaska).

<sup>14</sup> Alaska Communications Comments at 11 and 22-24.

<sup>15</sup> *See, e.g.*, Comments of Quintillion Subsea Operations (“Quintillion”), LLC, WC Docket Nos. 10-90, *et al.* (filed Jan. 16, 2024), at 4; Comments of Pacific Dataport, Inc. and Eutelsat OneWeb, WC Docket Nos. 10-90, *et al.* (filed Jan. 15, 2024), at 3 and 7.

program.<sup>16</sup> This position is supported by the majority of commenters, including ATA, AP&T, and Alaska Communications.<sup>17</sup> Finally, those few commenters that assert extending support to non-ETCs would be necessary or helpful to support middle mile and transport specifically miss the mark;<sup>18</sup> USF support should flow to providers delivering *services to consumers* that are reasonably comparable in price and quality to those enjoyed by urban consumers. Middle mile transport and access are *inputs* to the delivery of such services, and support for such costs should be provided to ensure fulfillment of these statutory requirements – but providing USF support directly to third party middle mile providers would go far beyond the statutory tether, and it is not at all clear how the Commission could confirm such networks are being used specifically and only for the purpose of providing services to eligible end user locations in high-cost areas where support is needed to meet the statutory mandates of universal service.<sup>19</sup>

---

<sup>16</sup> NTCA Comments at 5-6.

<sup>17</sup> See ATA Comments at 9; AP&T Comments at 14-19; Alaska Communications Comments at 22. While the National Tribal Telecommunications Association (“NTTA”) raises concerns about the *process* of ETC designation in certain cases, it does not raise substantive opposition to ETC designation in its comments. See Comments of NTTA, WC Docket Nos. 10-90, *et al.* (filed Jan. 16, 2024), at 4-5.

<sup>18</sup> See Quintillion Comments at 1-5.

<sup>19</sup> See, *e.g.*, Alaska Communications Comments at 19; ATA Comments at 25 (discussing how to define eligible areas).

The record before the Commission in these proceedings presents a compelling case for prompt creation of an ACF that: (i) builds upon and harmonizes the Alaska Plan and other existing mechanisms; (ii) updates deployment obligations in a manner tailored for the various challenges presented throughout Alaska; (iii) provides sufficient and predictable support that is “sized” properly to overcome these challenges and fulfill these obligations (including the ongoing provision of services at reasonably affordable rates); and (iv) promotes accountability not only through updated deployment requirements but also through ETC designation and ongoing oversight.

Respectfully submitted,



By: /s/ Michael Romano  
Michael Romano  
Executive Vice President  
4121 Wilson Boulevard  
Suite 1000  
Arlington, VA 22203  
703-351-2000 (Tel)

February 15, 2024