



October 25, 2012

Ex Parte

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: *Connect America Fund, WC Docket No. 10-90; A National Broadband Plan for Our Future, GN Docket No. 09-51; Establishing Just and Reasonable Rates for Local Exchange Carriers, WC Docket No. 07-135; High-Cost Universal Service Support, WC Docket No. 05-337; Developing an Unified Inter-carrier Compensation Regime, CC Docket No. 01-92; Federal-State Joint Board on Universal Service, CC Docket No. 96-45; Lifeline and Link-Up, WC Docket No. 03-109; Applications of GCI Communications Corp., ACS Wireless License Sub, Inc., ACS of Anchorage License Sub, Inc., and Unicom, Inc. For Consent To Assign Licenses to The Alaska Wireless Network, LLC., WT Docket No. 12-187*

Dear Ms. Dortch:

On Tuesday, October 23, 2012, Ron Duncan, CEO of General Communication, Inc. ("GCI"), Tina Pidgeon, Megan Delany, and Chris Nierman, also of GCI, and John Nakahata of Wiltshire & Grannis LLP, on behalf of GCI, met with Commissioner Jessica Rosenworcel and Patricia Delgado Argeris, legal advisor to the Commissioner.

On Wednesday, October 24, 2012, the above listed members of GCI and counsel met with Commissioner Ajit Pai, and Courtney Reinhard, wireless legal advisor to the Commissioner. Additionally, the above listed met with Commissioner Mingon Clyburn, and Angela Kronenberg, Louis Peraertz, and Joseph Dworak, staff for the Commissioner.

In each of these meetings we discussed GCI and Alaska Communications Systems Group's transaction to create The Alaska Wireless Network ("AWN"). AWN is a competitive response to AT&T's overwhelming market position in Alaska, and the fact that Verizon Wireless will be launching Alaska service in 2013. Post-close, the number of Alaska wireless subscribers served by AWN will still be dwarfed by AT&T. By creating AWN, GCI and ACS can better ensure that there will be one Alaska-based and controlled wireless network providing statewide service, including into off-road rural areas that only GCI serves today and that AT&T and Verizon will likely never serve. Moreover, because ACS and GCI will each offer retail wireless service, based on the wholesale services they obtain from AWN, ACS and GCI will still make independent decisions about how to price retail service, the types of handset subsidies to offer, and the types of bundled packages (with, for example, wireline voice, broadband service, or

cable service). From a universal service perspective, the transaction preserves and enhances universal service, particularly for rural Alaska, where a viable wireless service depends on the operator also being competitive in the state's urban areas. The declaratory ruling simply seeks to confirm of what is the economic reality—GCI and ACS as owners of Awn will continue to use their "own facilities" (i.e., facilities that they own) in providing ETC wireless services and have access to that spectrum for the purposes of any future universal service reverse auctions.

GCI also stated that Alaska needs to have a stable universal service support system. Given the level of universal service need that can be documented in Alaska, the Commission should not further remove support from Alaska to redistribute it to other parts of the country. Support that does come to Alaska, however, can be further targeted, and will be more effectively spent if distributed on a more technologically neutral basis.

Please contact me if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "John T. Nakahata". The signature is fluid and cursive, with a long horizontal stroke at the end.

John T. Nakahata
Counsel to General Communication Inc.

cc: Hon. Mingon Clyburn
Hon. Jessica Rosenworcel
Hon. Ajit Pai
Angela Kronenberg
Louis Peraertz
Pricilla Delgado Argeris
Courtney Reinahard
Joseph Dworak