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Attachments: [GCI Broadband Opportunity Council Comments \(final\).docx](#)

Attached are the comments of General Communications, Inc. (GCI) in response to the Council's April 24, 2015 request for comments.

Please feel free to contact the undersigned if you have any questions or if I can be of any assistance.

Thank you,

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**Before the
Rural Utilities Service
DEPARTMENT OF AGRICULTURE
Washington, D.C. 20036
and
National Telecommunications and Information Administration
DEPARTMENT OF COMMERCE
Washington, D.C. 20230**

In the Matter of)	
)	
Broadband Opportunity Council)	Docket No. 1540414365-5365-01
Notice and Request for Comment)	RIN 0660-XC019
)	

COMMENTS OF GENERAL COMMUNICATION, INC.

General Communication, Inc. (“GCI”) appreciates the President’s creation of the Broadband Opportunity Council (“Council”) and the invitation to comment on ways the federal government can promote investment in broadband infrastructure, including by eliminating barriers to broadband deployment.¹ GCI has significant firsthand experience with federal rules that make it more difficult to deploy broadband, as well as federal programs that have helped incentivize broadband deployment to underserved populations. Based on our experience, we provide concrete and general suggestions to guide the Council’s work.

Specifically, as explained in more detail below, we urge the Council to recommend streamlining federal permitting requirements and offer two concrete proposals in this regard. First, the Council should recommend the creation of an application clearinghouse or other process to consolidate and coordinate all the federal permitting required for a single project generally within one week of an application being filed. This would cut down on coordination

¹ Broadband Opportunity Council Notice and Request for Comment, 80 Fed. Reg. 23785 (Apr. 29, 2015) (Request for Comment).

delays that often result from multiple federal agencies being involved in approving the same infrastructure project. Second, the Council should recommend exempting activities that normally do not have significant adverse impacts to the environment from the detailed analysis called for by the National Environmental Policy Act (NEPA) and National Historic Preservation Act (NHPA) and possibly other environmental regulations. Expending scarce federal resources and delaying broadband deployment on account of permitting reviews with foregone conclusions is not a good use of taxpayer money and should not delay the benefits of broadband availability. GCI also recommends dedicating a small percentage of New Market Tax Credit (NMTC) allocations each year to projects in the U.S. Arctic, home mostly to Alaska Native communities with limited access to terrestrial-based broadband and 4G LTE wireless services and that have not received any state specific allocations in the last two NMTC funding rounds. Finally, GCI offers some general principles to help guide the Council's work.

I. GCI'S INVESTMENT IN BROADBAND

Founded in 1979 as a competitive long distance provider, GCI has grown through investment and technological innovation to become the largest communications provider in Alaska, offering an incredibly wide range of communications services, including mobile voice and data, residential and business Internet, terrestrial and satellite backhaul, cable television, broadcast television, and telemedicine and distance learning services. We have consistently proven our ability to adapt state-of-the-art technology to bring new and dramatically improved communications services even to the most remote areas of the state, including many predominantly Native Alaskan communities. From substantial advancements in landline voice services, to mobile voice services, and now to fixed and mobile broadband, GCI has consistently envisioned and accomplished major infrastructure investments to deliver last-mile services to the

region, relying on a variety of middle-mile technologies, including satellite, microwave, and fiber.

GCI has invested well over \$2 billion in capital in Alaska since 1979, almost \$1.4 billion of that in the last decade. GCI's investment, combined with universal service support, enables our customers even in the most remote areas of Alaska to connect with family and friends, to engage in civic activity, to participate in the broader economy, and even more vitally, to receive—and provide for—emergency response, and to receive basic healthcare and educational services which would otherwise be unavailable in their communities. GCI's existing network infrastructure also is a springboard from which we will make additional investments.

II. ADDRESSING REGULATORY BARRIERS TO BROADBAND DEPLOYMENT

Request for Comment Question 6: What regulatory barriers exist within the agencies of the Executive Branch to the deployment of broadband infrastructure?

Expanding access to broadband means deploying communications infrastructure.

Unfortunately, the U.S. federal government's restrictions on land use and its stringent permitting requirements complicate providers' efforts to deploy the infrastructure best suited to upgrade or extend communications networks, and far too often raise our costs beyond the point that it no longer is economically rational to expand or upgrade our networks. These restrictions operate as a significant barrier to investment and slow or prevent the delivery of new and improved communications services.

Bringing terrestrial-based broadband to many rural Alaskan communities requires building infrastructure across federal land. The U.S. federal government owns or administers almost 60 percent of the land mass in Alaska, more than 345,000 square miles—an area

significantly larger than the State of Texas.² Numerous federal laws limit human activity in the region, including the Alaska National Interest Lands Conservation Act, the National Wildlife Refuge System Administration Act, The National Wildlife Refuge System Improvement Act of 1997, the Wilderness Act, the Wild and Scenic Rivers Act, the Marine Mammals Protection Act, and the Arctic Refuge Comprehensive Conservation Plan. To the extent these laws allow access in the first place, the federal permitting processes for infrastructure projects on public lands as currently implemented raises costs, creating unpredictability and discouraging investment.

The impact land use restrictions have on broadband deployment can be illustrated by where GCI has deployed fiber in rural Alaska. In 2012, GCI completed the installation of more than 400 miles of fiber between Homer and Levelock in southwest Alaska as part of the TERRA network.³ This fiber also connects the communities of Pedro Bay, Kokhanok, Igiugig, Newhalen, Iliamna, Nondalton and Port Alsworth. This feat was possible because the route between these communities primarily traverses state and wholly-owned Alaska Native land, and the state's environmental permitting regulations and other applicable requirements—while more than adequate to protect the natural environment—also made it economically feasible for GCI to install middle-mile fiber.

There is no shortage of technical and economic barriers to deploying broadband in the remote areas of Alaska. The construction season is short, communities throughout much of the state are located hundreds of miles from the nearest roads and power grid, and weather-induced

² Based on GCI's analysis, the federal government owns or manages approximately 59.2% of the land in Alaska (345,170 square miles of the state's 582,988 total square miles). See Alaska Department of Natural Resources, Information Resource Management, *General Land Status - January 2015 - All Attributes - Clipped to 1:63,360 Coastline* (Jan. 2015), at http://dnr.alaska.gov/mdfiles/gls_ac.html.

³ TERRA is GCI's innovative and transformational middle-mile broadband network that brings terrestrial fiber and microwave-based communications services to 73 communities in rural Alaska.

challenges are pervasive.⁴ While GCI has developed significant expertise in overcoming weather-related challenges, in overland locations where fiber deployment may be technologically sustainable, a primary reason there is not more fiber in the TERRA network and in other remote areas of the state is that federal permitting requirements generally raise the costs of fiber deployment sufficiently that the project becomes infeasible. If GCI had faced the same permitting obstacles on the route between Homer and Levelock that apply on federal land, GCI almost certainly would not have been able to deploy fiber on this route.

GCI would welcome greater practical opportunities to deploy fiber to additional communities. However, unless and until the federal government significantly streamlines its permitting processes, additional deployment of middle-mile fiber in the remote areas of Alaska will be limited. Much of the land between Alaskan communities is owned or administered by the federal government and is devoid of roads, electric utility lines, pipelines, or any other lateral infrastructure in which or to which fiber optic lines could be embedded or attached. Moreover, even if ice scour and other challenges could be overcome, submarine cable at most only will connect coastal communities to fiber. Thus, unless federal environmental regulations are significantly streamlined, most of the people and businesses in the remote areas in Alaska will need to continue relying on other technologies for their broadband connectivity. While those

⁴ For example, 80 miles of the Dalton Highway—the only road to Prudhoe Bay and the corridor for terrestrial communications to the North Slope oil fields—has been closed for most of the past two weeks after the spring thaw caused massive flooding that washed away large sections of the roadway. Alex DeMarban, *Flood-Damaged Dalton Highway Will Reopen Friday Morning*, Alaska Dispatch News (June 4, 2015), <http://www.adn.com/article/20150604/flood-damaged-dalton-highway-will-reopen-friday-morning>. This, after the highway was also closed for a significant part of April because ice overflow and water from the Sagavanirktok River made the highway impassible. Laurel Andrews, *Dalton Highway 'An Ice Sheet' as Alaska Gov. Walker Declares Disaster*, Alaska Dispatch News (Apr. 8, 2015), <http://www.adn.com/article/20150408/dalton-highway-ice-sheet-alaska-gov-walker-declares-disaster>. As challenging as this situation is, it is more challenging to deploy terrestrial broadband services where there are no roads, which is true throughout much of the State of Alaska.

technologies deliver suitable performance, and some deliver low latencies not available on satellite, none offers the practically infinite capacity of fiber.

We recognize that the federal government has already taken some steps to reduce the barriers federal permitting processes pose for broadband deployment. In June 2012, President Obama issued an Executive Order to streamline the permitting process for infrastructure projects on public lands.⁵ This Executive Order established a working group of multiple federal agencies that studied this issue and made certain improvements, including better identifying federal points of contact to lease antenna space on federal buildings, developing templates for common application forms and master contracts such as for leasing rooftops for antenna siting, and other efforts.⁶ In addition, on January 21, 2015, President Obama issued an Executive Order that establishes a committee that will provide guidance on prioritizing federal activities while the United States is the Chair of the Arctic Council and calls for a report that will make recommendations for increasing the efficiency of inter-agency coordination.⁷

GCI appreciates and supports the progress that has been made to date. We emphasize, however, that bringing new and improved communications technologies to the remote areas of Alaska requires more. Sensible recommendations for reform do not make a difference in the lives of Alaskan residents and businesses until they are translated into concrete actions. Two such concrete actions that could significantly reduce the economic drag of existing permitting requirements are:

⁵ See Exec. Order 13616, *Accelerating Broadband Infrastructure Deployment*, 77 Fed. Reg. 36903 (June 12, 2012), at <http://www.gpo.gov/fdsys/pkg/FR-2012-06-20/pdf/2012-15183.pdf>.

⁶ See Broadband Deployment on Federal Property Working Group, *Implementing Executive Order 13616: Progress on Accelerating Broadband Infrastructure Deployment* (Aug. 2013) (*Implementing Executive Order 13616 Report*), at http://www.whitehouse.gov/sites/default/files/microsites/ostp/broadband_eo_implementation.pdf.

⁷ See Exec. Order 13689, 80 Fed. Reg. 4191 (Jan. 21, 2015), at <http://www.whitehouse.gov/the-press-office/2015/01/21/executive-order-enhancing-coordination-national-efforts-arctic>.

First, interagency coordination should be institutionalized so that a single agency and department can be selected to consolidate and coordinate all the permitting required for a specific project generally within one week of an application being filed. This could be accomplished by creating an application clearinghouse and/or interagency council of all entities that potentially have jurisdiction to approve an infrastructure project. However achieved, applications should quickly be assigned to a project-specific interagency team with an agreed-upon timeline that includes key milestones for all federal permits and reviews.⁸ Many middle mile projects cross land or water within the jurisdiction of more than one federal agency, especially in Alaska where the distances involved can be immense.⁹ Broadband providers therefore must obtain federal permits from multiple agencies. Because each agency can have its own permitting requirements, broadband providers do not know what information will be required to obtain approval for a project until a lead agency is selected. Consolidating environmental review can help set expectations and improve the synchronization of multiple federal review processes.

The creation of a clearinghouse or other process to institutionalize interagency coordination could significantly shorten the time between the submission of an application and final approval.

Second, activities that normally do not have significant adverse impacts to the environment should be exempt from the detailed analysis called for by the National

⁸ See Steering Committee on Federal Infrastructure Permitting and Review Process Improvement, *Implementation Plan for the Presidential Memorandum on Modernizing Infrastructure Permitting* (May 2014), at <http://www.permits.performance.gov/pm-implementation-plan-2014.pdf>; see also Council on Environmental Quality, Executive Office of the President, and Advisory Council on Historic Preservation, *NEPA and NHPA - A Handbook for Integrating NEPA and Section 106* (Mar. 2013), at http://www.whitehouse.gov/sites/default/files/nepa_and_nhpa_handbook.pdf.

⁹ See *Implementation Plan for the Presidential Memorandum on Modernizing Infrastructure Permitting*, *supra* note 8, at 7 (“Over time, these legal and regulatory requirements have resulted in more than 35 distinct permitting and review responsibilities across more than 18 Federal agencies and bureaus, implemented by staff at headquarters and hundreds of regional and field offices.”).

Environmental Policy Act (NEPA) and National Historic Preservation Act (NHPA) and possibly other environmental regulations.¹⁰ For example, attaching new wires to existing utility poles,¹¹ or burying fiber optic cable and other infrastructure in a previously disturbed right-of-way (*e.g.*, roadway or road shoulders) is highly unlikely to adversely impact the environment or historic properties—including those of cultural and religious importance to Alaska Native people. The Council should recommend adding these and other low-impact activities as exclusions in the FCC’s Programmatic Agreement and other programmatic agreements as doing so could streamline permitting requirements and help ensure that agencies’ resources are used efficiently.¹² Reducing the costs and delays of federal permitting, while maintaining a fair, fact-based review process, will reduce uncertainty and facilitate investment in broadband.

III. PROMOTING PUBLIC AND PRIVATE INVESTMENT IN BROADBAND¹³

Request for Comment Question 13: What changes in Executive Branch agency regulations or program requirements could incentivize last mile investments in rural areas and sparsely populated, remote parts of the country?

¹⁰ The Broadband Deployment on Federal Property Working Group has stated it is working on a list of broadband activities to be exempted from Section 106 consultation. *See Implementing Executive Order 13616 Report* at 11.

¹¹ The FCC recently adopted a similar limited exclusion from the historical preservation review process under Section 106 of NHPA. *See Acceleration of Broadband Deployment by Improving Wireless Facilities Siting Policies*, Report & Order, WT Docket Nos. 13-238, 11-59, 13-32, FCC 14-153 para. 27 (Oct. 2014), at https://apps.fcc.gov/edocs_public/attachmatch/FCC-14-153A1.pdf (excluding from the Section 106 review wireless antenna collocations that meet the following conditions: (1) the antenna and any associated equipment, when measured together with any other wireless deployments on the same structure, meet specified size limitations; (2) the deployment will involve no new ground disturbance; (3) the deployment is not inside the boundary of a historic district, or within 250 feet of the boundary of a historic district; (4) and is not located on a structure that is a designated National Historic Landmark or is listed in or eligible for listing in the National Register; and (5) is not the subject of a pending complaint alleging adverse effect on historic properties).

¹² *See* 47 C.F.R. Part 1, App. B, Nationwide Programmatic Agreement for the Collocation of Wireless Antennas (Collocation Agreement); 47 C.F.R. Part 1, App. C, Nationwide Programmatic Agreement Regarding the Section 106 National Historic Preservation Act Review Process.

¹³ Our response to this question also is relevant to Subsection F (Issues Related to Vulnerable Communities and Communities with Limited or No Broadband) and Subsection G (Issues Specific to Rural Areas) of the Request for Comment.

GCI urges the Council to support revisions to the New Markets Tax Credit (NMTC) Program that would help spur investment in new telecommunications infrastructure in the U.S. Arctic, which by most measures is by far the most sparsely populated and remote part of the country.¹⁴ Making such a change now, during Secretary of State Kerry’s two-year Chairmanship of the Arctic Council, would provide international leadership and signal U.S. commitment to the region.¹⁵ Such action would also support and advance the Administration’s Arctic policy, built on a recognition that “[t]he United States is an Arctic Nation with broad and fundamental interests in the Arctic Region.”¹⁶

Alaska’s overall population density is the lowest in the nation – 1.2 persons per square mile,¹⁷ compared to 103.8 persons per square mile in the Lower 48.¹⁸ Densities in the Arctic are substantially lower still. For example, the North Slope Borough comprises a total land area of

¹⁴ As used herein, “Arctic” and the “Arctic region” refer to the area defined by Congress in ARPA. *See* Arctic Research and Policy Act of 1984, Pub. L. No. 98-373, Title I, § 112, 98 Stat. 1248 (1984), *codified at* 15 U.S.C. § 4111 (“As used in this chapter, the term ‘Arctic’ means all United States and foreign territory north of the Arctic Circle and all United States territory north and west of the boundary formed by the Porcupine, Yukon, and Kuskokwim Rivers; all contiguous seas, including the Arctic Ocean and the Beaufort, Bering, and Chukchi Seas; and the Aleutian chain.”).

¹⁵ The Arctic Council is the primary intergovernmental forum for addressing issues related to the Arctic Region. The members of the Arctic Council include the eight countries with territory above the Arctic Circle (Canada, Denmark, Finland, Iceland, Norway, Sweden, the Russian Federation, and the United States) plus six Permanent Participants (PP) groups representing the indigenous people of the Arctic, which include Aleut International Association, Arctic Athabaskan Council, Gwich’in Council International, Inuit Circumpolar Council, Russian Arctic Indigenous Peoples of the North, and Saami Council. *See generally* <http://www.arctic-council.org/index.php/en/> (Arctic Council website).

¹⁶ *See* The White House, *National Strategy for the Arctic Region*, at 2 (May 2013), at http://www.whitehouse.gov/sites/default/files/docs/nat_arctic_strategy.pdf (quoting the National Security Strategy (2010) and explaining that the United States seeks in the Arctic “to meet our national security needs, protect the environment, responsibly manage resources, account for indigenous communities, support scientific research, and strengthen international cooperation on a wide range of issues”—all goals that could be more readily achieved with widespread broadband availability in the Arctic); *see also* The White House, *Implementation Plan for the National Strategy for the Arctic Region* (Jan. 2014), at http://www.whitehouse.gov/sites/default/files/docs/implementation_plan_for_the_national_strategy_for_the_arctic_region_-_fi....pdf.

¹⁷ *See* U.S. Census Bureau, *Statistical Abstract of the United States: 2012*, Table 14. State Population—Rank, Percent Change, and Population Density: 1980 to 2010, at <http://www.census.gov/compendia/statab/2012/tables/12s0014.pdf> (last visited Dec. 2, 2014).

¹⁸ *See* United States Census Bureau, Population Density for States and Puerto Rico, July 1, 2009, at <http://www.census.gov/popest/gallery/maps/popdens-2009.html> (last visited January 17, 2012).

88,695 square miles and is home to only 9,686 residents – just 0.1 person per square mile, or one-thousandth of the overall density of the Lower 48.¹⁹ Many Arctic communities are extremely tiny, with residents numbering in the tens to hundreds. Some communities that appear on Arctic maps, such as Umiat, are better described as mining camps with a rotating crew of seasonal workers than a community with permanent residents.²⁰

Congress established the NMTC Program in 2000 to spur new or increased investments in operating businesses and real estate projects located in low-income communities. The program drives investment capital to low-income communities by permitting individual and corporate investors to receive a tax credit against their Federal income tax return in exchange for making equity investments in financial institutions called Community Development Entities (CDEs), which in turn must use substantially all of the qualifying investments to make investments in qualified businesses located in low income communities.²¹ “Since the NMTC Program’s inception, the Community Development Financial Institutions (CDFI) Fund has made 836 awards allocating a total of \$40 billion in tax credit authority to CDEs through a competitive application process.”²²

GCI has already demonstrated that the NMTC program can multiply public investment dollars by making it possible for broadband providers to invest in new infrastructure in the Arctic. To date, GCI has relied on New Market Tax Credit support for three projects north of the

¹⁹ See United States Census Bureau, State & County QuickFacts, North Slope Borough, Alaska, at <http://quickfacts.census.gov/qfd/states/02/02185.html> (last visited Dec. 2, 2014).

²⁰ See, e.g., Ukpeaġvik Iñupiat Corporation, *Umiat Camp and Airfield, Alaska* (last visited Nov. 26, 2014) (stating that Umiat Camp is closed for the rest of the summer); Linc Energy, *Exploring Umiat*, <http://lincenergyumi.com/> (last visited Nov. 26, 2014) (describing the construction and maintenance of a 150 person camp at Umiat for the 2012-13 winter oil drilling season).

²¹ U.S. Dept. of the Treasury, Community Development Financial Institutions Fund, *New Market Tax Credit Program*, at http://www.cdfifund.gov/what_we_do/programs_id.asp?programID=5.

²² *Id.* (stating that “[t]his \$40 billion includes \$3 billion in Recovery Act Awards and \$1 billion of special allocation authority to be used for the recovery and redevelopment of the Gulf Opportunity Zone”).

Arctic boundary defined by the Arctic Research and Policy Act of 1984,²³ each of which has had tangible community and economic development benefits for Alaskans (most of whom are Alaska Natives) living in some of the most low-income and remote areas of the country. Without this support, GCI could not have justified its multi-million dollar investments in TERRA expansions to several Arctic communities, which now have terrestrial-based Internet access service.

Despite a proven track record of NMTC allocations being put to use quickly, efficiently, and successfully, Alaska did not receive any state specific allocations in the last two funding rounds. There are currently two Alaska CDEs with applications pending in the 2014 round, both of whom are ready, willing, and able to deploy NMTC financing in the Arctic. If GCI obtained NMTC financing, at a minimum it could extend the TERRA network to other Arctic communities in the Northwest Arctic Borough near Kotzebue—shovel-ready projects that could move ahead immediately if supported by the NMTC program.

To ensure the NMTC program will continue to bring economic development to the Arctic, GCI urges NTIA to support a small but important structural change to this program. Specifically, GCI recommends statutory changes that would designate five percent of the annual NMTC authority for projects that are located above the ARPA boundary. Investing five percent of the annual NMTC allocations in the Arctic would build upon the success of other federal programs that have supported Arctic Communities. For instance, last year the FCC conducted the Tribal Mobility Fund Phase I reverse auction through which the Commission is distributing almost \$40 million in Universal Service support to provide 3G or 4G services in communities above the ARPA boundary.²⁴ The revisions to the NMTC program proposed above would work

²³ See *supra* note 14.

²⁴ See, e.g., *Tribal Mobility Fund Phase I Auction Closes – Winning Bidders Announced for Auction 902*, Public Notice, DA 14-263 (2014), at http://hraunfoss.fcc.gov/edocs_public/attachmatch/DA-14-263A1.pdf.

in concert with other initiatives to ensure that Arctic communities are obtaining the investments they need to prosper economically.

IV. ISSUES SPECIFIC TO RURAL AREAS

Question 25: Would spurring competition to offer broadband service in rural areas expand availability and, if so, what specific actions could Executive Branch agencies take in furtherance of this goal?

Question 26: Because the predominant areas with limited or no broadband service tend to be rural, what specific provisions should Executive Branch agencies consider to facilitate broadband deployment and adoption in such rural areas?

With our more than 30 years of experience deploying sustainable infrastructure in the most remote areas of the United States, GCI has a deep understanding that coordination, realistic planning, and federal support programs are keys to sustainable growth in the extremely low density areas of Alaska that also pose technical and engineering challenges to deploying broadband infrastructure.²⁵ Set forth below are several important principles that we believe should guide the Council's evaluation of the record in this proceeding and the Council's recommendations, particularly as relates to its evaluation of public-private partnerships.

- *Recognize the diversity of rural America.* The Council should avoid recommending one-size fits all solutions to solve the broadband availability gap in rural America. Investing in economically sustainable broadband infrastructure needs to take account of local conditions from a business perspective and an engineering perspective. Variation in the size of the addressable market, including aggregated regional demand, the distance from existing fiber, whether the terrain is flat or mountainous, rocky or wetland, what permitting challenges are present, and hundreds of other factors determine whether particular strategies for deploying broadband are sustainable in a particular market. A successful strategy to provide sustainable broadband service to remote areas with extremely low density and challenging engineering hurdles such as those found in the remote areas of Alaska (including lack of roads and electric power, a short construction season, and instable land surfaces caused by conditions related to permafrost), may be quite different than strategies that may be viable in denser rural areas located much closer to urban fiber.

²⁵ In this regard, GCI has strong working relationships with the other stakeholders in the region where we provide service, including Alaska Native communities and institutions, the State of Alaska, the Alaska Arctic Policy Commission, The Alaska Broadband Task Force, anchor tenants, and the Federal Communications Commission.

- *Economic development will lead to additional investment in telecommunications infrastructure.* Economically stable anchor tenants—customers of broadband services—are necessary to support the considerable investment in and ongoing costs of operating broadband infrastructure in rural America.²⁶ The Council should support policies that foster economic development in rural America, as that can create the economic conditions required for further investments in telecommunications infrastructure.²⁷
- *Promote competition to use limited resources efficiently.* Markets and opportunities must be available to all qualified participants. In the telecommunications arena, advancements and innovations have occurred when service providers push each other to improve. Any available public funding must be subject to competitive bid to ensure the positive effects of competition—highest quality in the most cost-effective manner—can be preserved in rural America when public funding is provided to support a business case for broadband deployment.²⁸
- *Satellite-based broadband is not a barrier to economic growth.* Improvements in satellite technology make the delivery of advanced communications services, including to businesses, in the most remote areas of America technically feasible and cost effective through smart network design and operation. Because existing technologies can adequately support projected demand, sound public policy counsels against jeopardizing scarce societal resources on grants and loans for new high-risk telecommunications deployments premised on the faith that “if we build it they will come.”²⁹ Investment in “gold-standard” telecommunications infrastructure in the hardest-to-reach areas of the United States is appropriate only when projected demand exceeds the capacities of existing networks.
- *Promote sound, sustainable investments.* The Council should ensure that partners in broadband deployment have the experience, competency, and resources necessary to successfully complete and operate projects. A rational, economically sustainable business plan is critical to lasting infrastructure projects, so that communities and other participants can trust that the investments will lead to positive outcomes. Moreover, any public funding for projects should not interfere with basic market forces, strand private investment, duplicate existing government-supported projects, or create unsustainable “white elephants.” Establishing policies that ensure project owners must have familiarity with the environment where new service will be deployed, a substantial stake in the

²⁶ See Alaska State Broadband Task Force, *A Blueprint for Alaska’s Broadband Future*, at 12 (Oct. 2014) (*Broadband Task Force Report*) (stating that “[c]ollective anchor tenant demand is necessary to spur infrastructure investment and to provide ongoing support to completed projects”), at <http://www.alaska.edu/files/oit/bbtaskforce/2013-08-AK-Broadband-Task-Force-Report%7CA-Blueprint-for-Alaska%27s-Broadband-Future.pdf>.

²⁷ Today, school districts and rural health care providers are the primary anchor tenants for rural broadband services in Alaska; additional anchor tenants would reliably make more investments attractive.

²⁸ See *Broadband Task Force Report*, at 10 (setting forth implementation practices).

²⁹ See *Broadband Task Force Report*, at 28 (stating that in some regions of Alaska, broadband delivered by satellite is the only practical alternative); *id.* at 9 (including as a guiding principle that satellite solutions should be included in any final design).

venture, and a sustainable business plan is necessary for all stakeholders to benefit from lasting infrastructure investments.

- *Extend benefits beyond primary population centers.* The Council should promote policies that extend the benefits of communications networks beyond anchor tenants, to ensure the smaller business and residents in the same communities are also served by new investment in communications infrastructure.³⁰ This will help ensure that all residents, businesses, and other institutions in rural America share in the benefits of societal investment.

V. CONCLUSION

The Council should quickly act on GCI's recommendations set forth above regarding specific actions the federal government can take to streamline permitting requirements and dedicating NMTC allocations for Arctic communities to expand broadband availability to all Americans. In addition, the Council should incorporate the general principles we outline above when making other recommendations to expand broadband deployment.

Respectfully submitted,



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³⁰ *Broadband Task Force Report* at 10.