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Governor Sean Parnell
STATE OF ALASKA

October 13, 2009

Mr. Lawrence E. Strickling
Assistant Secretary for Communications
and Information
National Telecommunications and
Information Administration
Washington, DC 20230

Dear Mr. Strickling,

Thank you for the opportunity to comment on Alaska's applications for the Broadband Technology Opportunities Program (BTOP). This program is very important to Alaska, and I appreciate the National Telecommunications and Information Administration's (NTIA) efforts in reviewing and selecting projects for funding under the program.

As you know, in terms of broadband access, Alaska has the largest unserved and underserved geographic area of any state in the nation. The 29 BTOP applications that would primarily serve Alaska include many projects that would substantially improve broadband access across much of the state.

Your letter of September 18 requested that Alaska explain why particular applications would meet the greatest needs of the state. We have found this to be a very difficult task. One issue has been that under the NTIA's original plan for the BTOP application process, the NTIA was going to complete a technical review of all the applications, and then ask states to comment only on the applications that passed technical scrutiny and ranked as the most promising applications.

However, under the NTIA's revised process, this technical review has not yet been completed. It is difficult for the State of Alaska to prioritize applications without the technical review work having been done, and it is simply not possible for us to complete a thorough technical review of our own in the allotted time for comment. We are reluctant to recommend particular applications that may not pass the NTIA's technical review.

It is also difficult to prioritize applications given the considerable uncertainty regarding the amount of BTOP funds that the NTIA may award to Alaska. Some of the Alaska applications that are the most promising are also the most costly projects, and it is unclear whether those projects are likely to be funded given the amount of BTOP funds available nationally.

We also have concerns about the competitive fairness of state government recommending applications of competing companies or non-profit organizations over one another, in the absence of evidence that one application is clearly superior to another.

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Because of these concerns, I have chosen not to prioritize or recommend particular Alaska applications. My staff and I have also considered whether specific technologies or types of applications, such as middle mile or last mile projects, should receive priority. In Alaska, there is a role and a need for different technologies in different regions of the state, and for larger and smaller communities. Both middle mile and last mile projects are needed to provide broadband access throughout rural Alaska. Therefore, we are not going to prioritize particular technologies or types of projects.

What we do recommend is that priority be given to those applications that would provide broadband service to the greatest number of unserved or underserved Alaskans with the amount of available funds. We also recommend that a higher priority be placed on the projects that score well in the NTIA's technical review, with designs that can be affordably operated and maintained, and that will have a long life span.

Affordability of service should also be a key factor in awarding BTOP grants. Much of rural Alaska has chronically high unemployment, making it difficult for many residents to afford broadband service unless it is affordably priced.

In evaluating Alaska's allocation of the total BTOP funds, I encourage you to consider that while there are many rural areas of the United States, very few communities in the Lower 48 are not on a road system. In Alaska, there are over 150 communities that are not accessible by road, and are effectively much more isolated and in need of modern communications than most rural communities in the 48 contiguous states.

Currently, Alaska's rural communities primarily rely on a mix of satellite and microwave systems for internet access. A set of maps showing the coverage provided by these systems is enclosed.

In closing, I believe that the BTOP program can have a greater impact in improving the quality of life, economic development, and educational opportunities in Alaska than in any other state. Our vast distances and the lack of road access to most rural communities mean that without federal assistance, private and non-profit organizations will not be able to provide affordable broadband access to most Alaska communities.

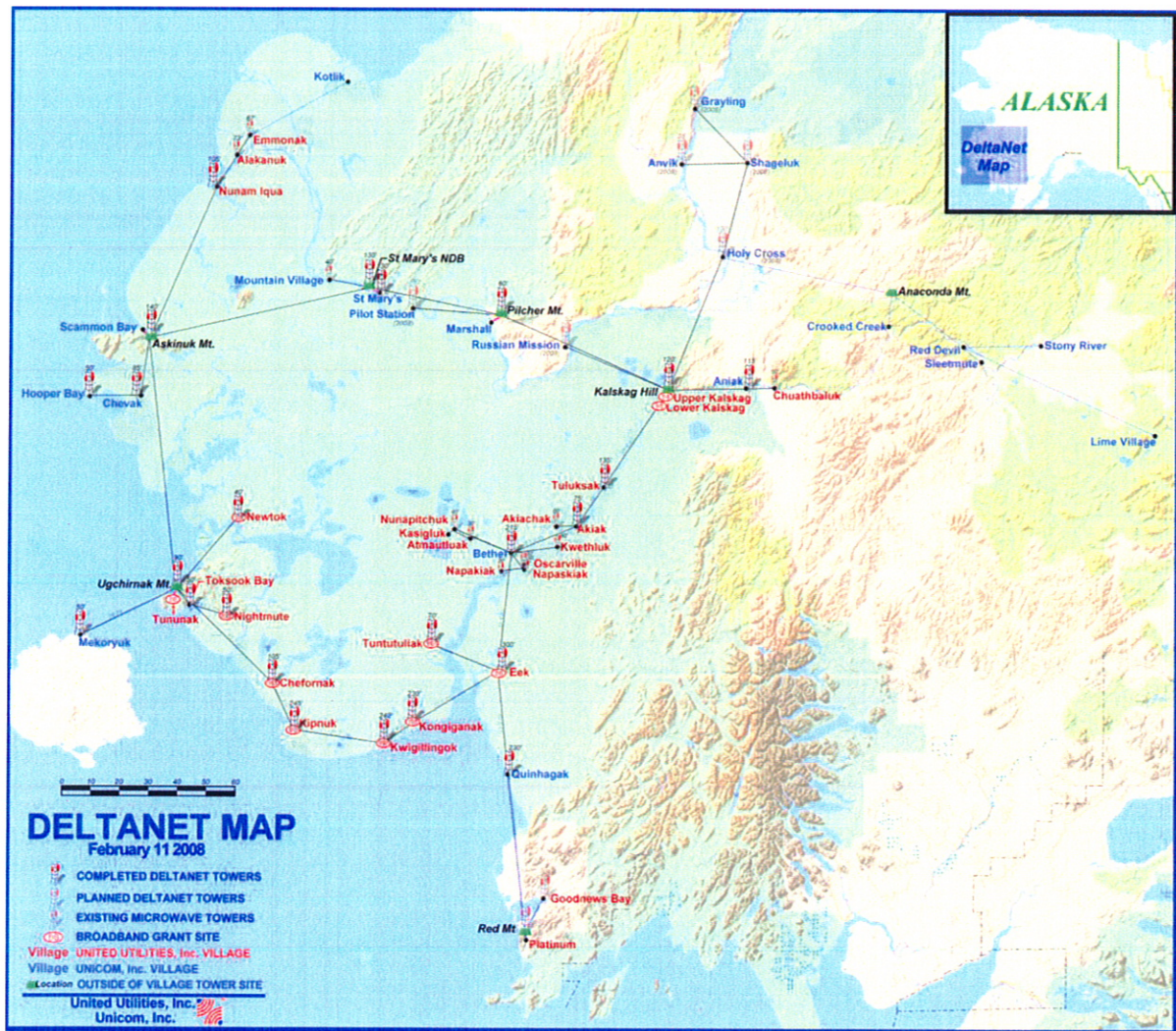
Thank you for your consideration of these comments.

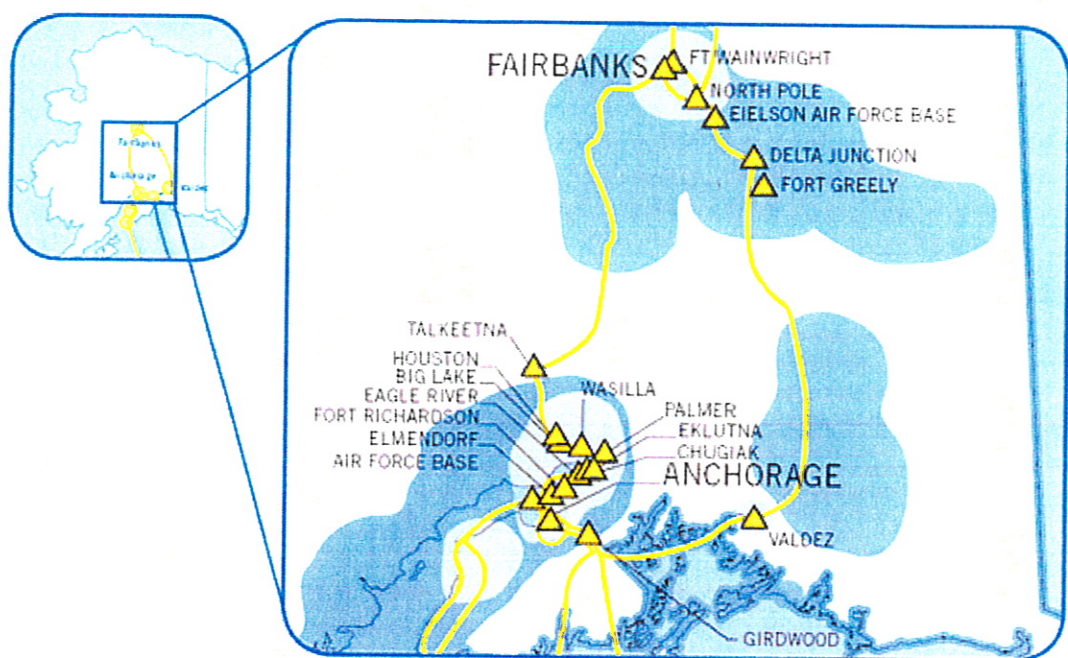
Sincerely,


Sean Parnell
Governor

Enclosures

DeltaNet — Broadband Microwave Network in the YKHC Region

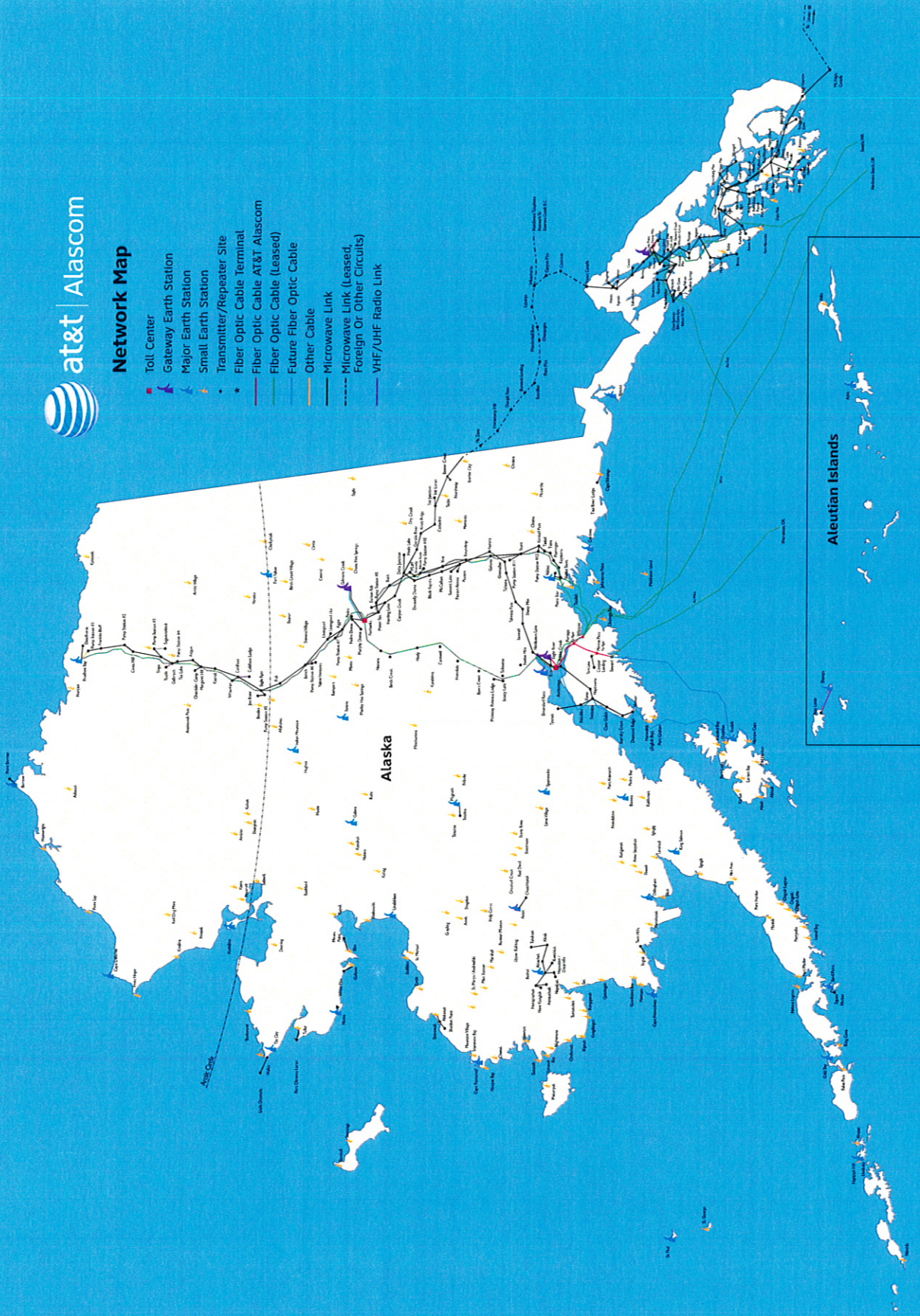






Network Map

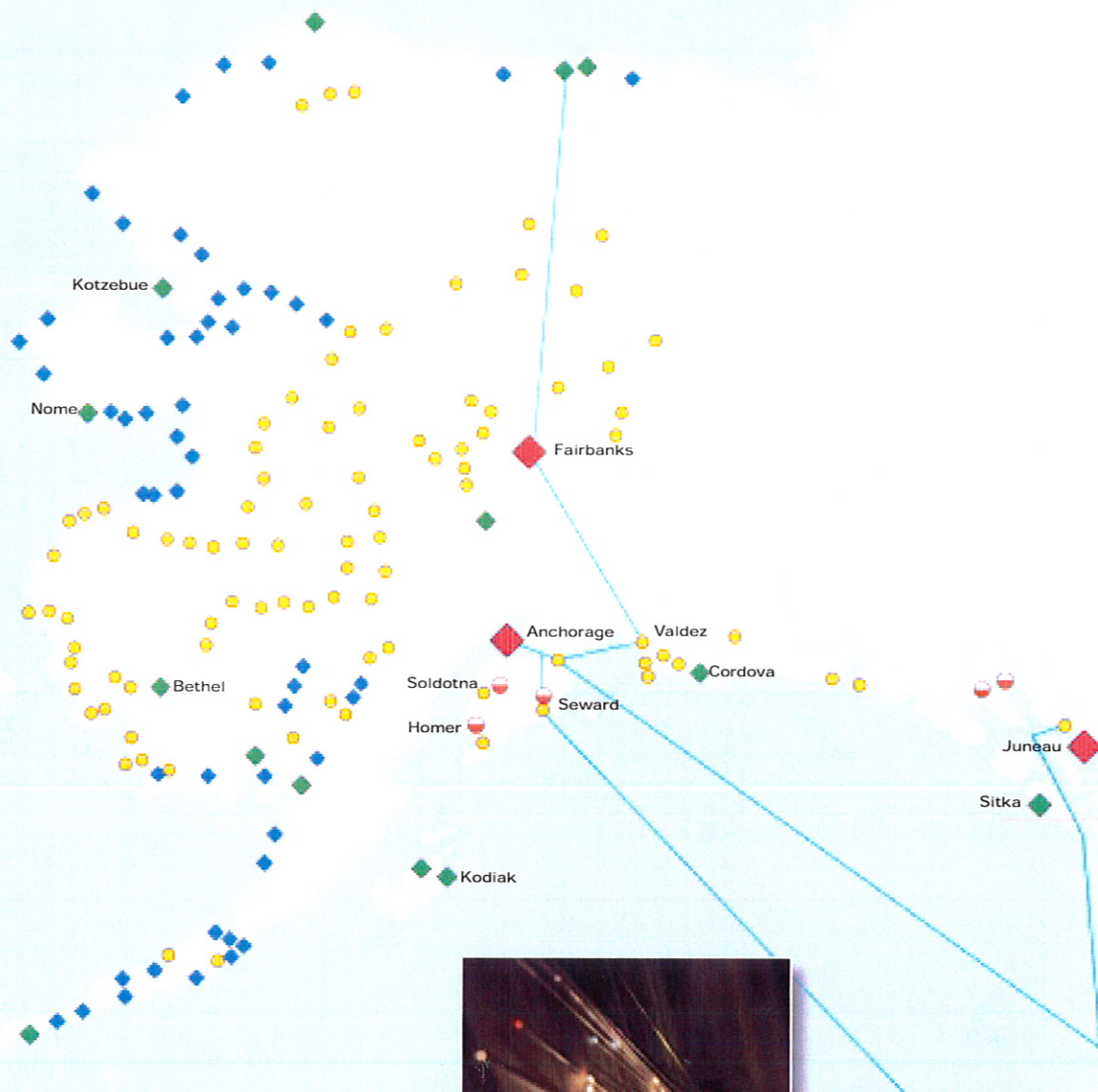
- Toll Center
- Gateway Earth Station
- Major Earth Station
- Small Earth Station
- Transmitter/Repeater Site
- Fiber Optic Cable Terminal
- Fiber Optic Cable AT&T Alascom
- Future Fiber Optic Cable
- Other Cable
- Microwave Link
- Microwave Link (Leased)
- Foreign Or Other Circuits
- VHF/UHF Radio Link



Aleutian Islands

GCI

BUSINESS LINES



GCI 13 Meter Earth Station—GCI's gateway earth stations gathering traffic from regional sites and from GCI Distribution centers. These sites also carry DAMA traffic from rural Alaska.



GCI 9 Meter Earth Station—GCI's gateway earth stations gathering traffic from regional sites and from GCI Distribution centers. These sites also carry DAMA traffic from rural Alaska.



GCI 3.6 Meter Earth Station—GCI's village earth stations carrying telephone traffic from bush villages to regional and larger earth stations utilizing DAMA technology.



GCI Point of Presence—A GCI serving point in a community providing toll service through leased facilities.



Ku Band School Access Site and Private Network



Fiber Optic Route

Kodiak Indicates Cable/Entertainment and customer service office



*Not all services and facilities are represented on this map

