



February 26, 2018

The Honorable Mia Costello
Chair, Senate Labor & Commerce Committee
State Capitol, Beltz 105
Juneau, Alaska 99801

The Honorable Kevin Meyer
Vice Chair, Senate Labor & Commerce Committee
State Capitol, Room 103
Juneau, Alaska 99801

RE: Support Senate Bill 205 – An Act relating to the Regulatory Commission of Alaska; and relating to two telecommunications regulations, exemptions, charges, and rates

Committee Chair Costello and Vice Chair Meyer:

On behalf of Alaska Communications, please accept this letter of support regarding Senate Bill 205 – An Act relating to the Regulatory Commission of Alaska.

Alaska Communications has a 120-year history serving the state of Alaska. We've evolved from a local telephone company to one of the largest broadband and managed IT service providers in Alaska. We own and operate a state-of-the-art fiber optic network serving Alaska from the North Slope to Ketchikan. We also own and operate two of the four subsea fiber optic cables connecting Alaska to the Lower 48, a new satellite system and we have a joint venture and operating agreement with Quintillion to bring high-speed broadband to Alaska's arctic communities.

Much has changed in the telecommunications landscape since the 1970s when the basic structure of state statutes governing the telecommunications industry and the Alaska Public Utilities Commission (the predecessor to the Regulatory Commission of Alaska) were put in place. Just as we have evolved from a monopoly that was the only choice for consumers to a market-driven company that is one of many voice service providers, we believe it is appropriate for the State's statutes to evolve. We are no longer a monopoly service provider like the state's electricity providers, and we do not believe we should be regulated by the Regulatory Commission of Alaska any more than the local gasoline providers in our state. Many of the statutes enacted to regulate monopoly providers should no longer apply to our industry. We commit resources to filing burdensome reports with the RCA at a significant cost to our company and no benefit to our customers.

Dated statutes are not why we have invested, on average, \$30 - \$35 million per year in our business, why we built state-of-the-art fiber-optic networks, why we invest in new technologies and why we work every day to improve how we serve customers. Competition and customer demand is what drives our business and investment in Alaska.



Alaska Communications, along with every Alaska Telecommunications Association member, supports Senate Bill 205, as a step in the right direction. At the same time, we believe there are more opportunities to update old statutes -- the legislature should go farther, and conclude that the time has come to completely deregulate the telecommunications industry just as the airline, trucking, and railroad industries have been deregulated.

We urge you to take the next step in bringing state law in line with our modern industry. Doing so will support continued investment in our great state.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Leonard Steinberg', written over the printed name and title.

Leonard Steinberg

Senior Vice President, Legal, Regulatory and Government Affairs
Alaska Communications