

SB205 Telecommunications Statutes Simplify & Modernize

Presentation to the Senate Labor & Commerce Committee
February 27, 2018

Unanimous Support for SB205

Adak Eagle Enterprises
Alaska Communications
Alaska Telephone Company
Arctic Slope Telephone
Association Cooperative
ASTAC Wireless
AT&T
Bettles Telephone
Bristol Bay Cellular Partnership
Bristol Bay Telephone
Cooperative
Bush-Tell
Copper Valley Telephone
Cooperative
Copper Valley Wireless
Cordova Telephone
Cooperative

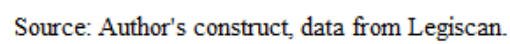
Cordova Wireless
GCI
Interior Telephone
Mukluk Telephone
Ketchikan Public Utilities
Matanuska Telephone
Association
North Country Telephone
Nushagak Cooperative
OTZ Telephone Cooperative
OTZ Wireless
Summit Telephone Company
TelAlaska Cellular
United Utilities
Windy City Wireless
Yukon Telephone Company

Transformation

- ▶ Telecommunications have changed dramatically since many of Alaska's telecom statutes were adopted in the 90s.
- ▶ New technologies and consumer preferences focus on wireless and broadband.
- ▶ Landline and long distance service dramatically diminished in the marketplace.

National Trends

- ▶ 41 states have reduced or eliminated oversight of retail telecommunications services
- ▶ National Regulatory Research Institute recommends state Commissions focus on:
 - ▶ Collecting consumer complaints
 - ▶ Outage reporting to monitor service quality
 - ▶ Interactions with providers and consumers to identify needs



Obsolete Statutes

- ▶ Long distance competition statutes at 42.05.800-810 require the RCA to manage competition in the landline long distance market.
- ▶ Requires tariff filings and annual reports.
- ▶ SB205 removes outdated regulation of long distance retail competition.

Tariff Regulation – It Depends

- ▶ Cooperatives, with the approval of their members, and municipal telcos manage their own tariffs.
- ▶ All other companies must maintain a tariff at the RCA. Review & approval varies by service area.
- ▶ Limits the introduction of new offerings due to the expense of preparing and supporting tariff filings.
- ▶ SB205 adopts the cooperative model for tariffs

Tariffs Filings 2017

- ▶ Regulatory Commission of Alaska
- ▶ Fiscal Year 2017 Annual Report

	2016	2015	2014	2013	2012	2011	2010	2009
Telecomm (AOS)	0	0	0	0	0	0	0	0
Telecomm (Directory)	0	0	0	0	0	0	0	0
Telecomm (Certificated IXC)	10	5	0	0	0	0	5	0
Telecomm (LEC)	69	48	2	4	1	14	0	0
Telecomm (PPTP)	0	0	0	0	0	0	0	0
Telecomm (Registered IXC)	3	0	0	0	0	0	3	0
Telecomm (TRS)	2	2	0	0	0	0	0	0

Carrier of Last Resort - Duplicative

- ▶ Carrier of last resort is the commitment of companies to provide service upon request.
- ▶ Certificate of Public Convenience & Necessity designates an area where service is required and prevents abandonment of service without permission from the RCA.
- ▶ Federal and state rules require provision of service upon reasonable request.

Consumer Protection

- ▶ Strong consumer protections exist today
 - ▶ Certificate of Public Convenience and Necessity (CPCN)
 - ▶ Eligible Telecommunications Carrier (ETC)
 - ▶ RCA Consumer Protection & Information Section
 - ▶ Attorney General Consumer Protection Unit
 - ▶ FCC Consumer Complaint Center
- ▶ SB205 maintains these protections.

Right-touch Regulation

- ▶ SB205 maintains essential RCA oversight
- ▶ Removes obsolete statutes
- ▶ Adopts cooperative model for tariffs
- ▶ Requires RCA and FCC approval before discontinuance of service
- ▶ Reduces cost and delay of regulation for RCA & providers
- ▶ Eliminates regulatory surcharge on consumer bills and shifts actual costs to providers

Benefits to Consumers

- ▶ Increases incentive to offer new service bundles
- ▶ Focuses resources on consumer services
- ▶ Reduces consumer bills

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