

February 4, 2022

VIA Electronic Submission

The Honorable Alan Davidson
Administrator, National Telecommunications and Information Administration
Department of Commerce
Washington, D.C. 20230

Re: Infrastructure Investment and Jobs Act Implementation
Docket No. 220105-0002

Dear Administrator Davidson:

The State of Alaska appreciates the opportunity to respond to the Department of Commerce's National Telecommunication and Information Administration (NTIA) Request for Comment. High-quality broadband for all Alaskans has been a long-sought dream in our state. Alaska is a remarkable and unique place known for its vastness, beauty, and diverse culture. When laid over a map of the "lower 48," Alaska stretches from Georgia to California and from Minnesota to Texas, with some of the most difficult terrain on earth. With over 250 rural communities and villages, many of which maintain a traditional subsistence lifestyle, Alaska's population is relatively small and spread out. It is truly a different place.

These are many unique aspects about Alaska that make it a challenging place to own and operate infrastructure, including broadband networks. Typically, when rules are made for all 50 states, they don't translate well for us. It is for that basic reason that we respectfully request your consideration of our comments and our overall attempts to make sure the BEAD program is constructed in a way that allows Alaska to implement the funding successfully and truly get all Alaskans connected with high-quality internet.

As we look to the future, the State of Alaska views broadband as an essential piece of the path forward to create more opportunities for Alaskans, better educational opportunities for our children, and desperately needed economic activity in rural communities. Access to the internet gives our kids the option to stay in their communities and become the next generation of Alaskan leaders. Additionally, the pandemic has strengthened the essential need for telehealth access for Alaska's rural population, much of whom is unserved with local healthcare. For these reasons, the State of Alaska provides this response to the Request for Comment, to ensure that the Broadband Equity Access and Deployment (BEAD) program is designed so Alaska is able to meet the needs of all its residents, build out broadband infrastructure to all of our communities, and maximize the goals of the Digital Equity Plan.

General Questions – Bringing Reliable, Affordable, High Speed Broadband to All Americans

Question 1: What are the most important steps NTIA can take to ensure that the Bipartisan Infrastructure Law's broadband programs meet their goals with respect to access, adoption, affordability, digital equity, and digital inclusion?

Congress stated their intention in the Infrastructure Investment and Jobs Act (IIJA) to close the digital divide and connect all Americans with high-speed, quality internet. In pursuit of that goal, please allow states the greatest flexibility within the rules framework to design plans and programs that they can

implement successfully. Alaska has specific unique needs and challenges, and we ask that middle-mile infrastructure be a clearly allowed use to serve eligible populations.

Many of our unserved and underserved communities are currently on traditional satellite or microwave infrastructure. To comply with the framework set out in IJJA, new middle-mile infrastructure will likely be needed. And with the extremely high cost to build and operate networks, coupled with the limited opportunities to generate revenue, many middle-mile projects will not be economic on their own. Therefore, to meet the program's goals, please allow middle-mile infrastructure to be an eligible use to help close the digital divide in rural Alaska.

Additionally, the statutory language references the prioritization of unserved populations. We are seeking clarity from NTIA on how best to prioritize unserved Alaskans, as well as asking for flexibility in how we implement programs addressing those most in need of bandwidth first. While we await further guidance from NTIA, a number of broadband discussions are already taking place, and a variety of concepts and ideas are being suggested. We seek the flexibility to explore these in more detail.

One idea that was proposed is pursuing an immediate connectivity program, as an attempt to serve currently unserved populations, which would then move these Alaskans into the underserved category immediately while the BEAD programs gets set up and implemented and projects are designed and constructed. The State of Alaska is considering ways to offer immediate connectivity without sacrificing the long-term infrastructure, scalability, and resiliency goals as laid out by Congress. We request that the NTIA consider both making a small portion of BEAD funding available immediately for immediate connectivity needs, as well provide clarity and flexibility in how states prioritize the unserved populations.

Question 17. Ten percent of total BEAD funding is reserved for distribution based on how many unserved locations within a state or territory are also locations in which the cost to deploy service is higher than the nationwide average. The Bipartisan Infrastructure Law provides that, in calculating the cost of deployment, NTIA should consider factors such as the area's remoteness, population density, topography, poverty rate, or "any other factor identified by the Assistant Secretary, in consultation with the [FCC], that contributes to the higher cost of deploying broadband service in the area." BIL § 60102(a)(2)(G). What additional factors, if any, should NTIA consider in determining what constitutes a "high-cost area"?

As we have laid out in earlier comments, there are numerous factors why Alaska is an extreme outlier in terms of cost. Alaska is like no other state in terms of size, geography, climate, land holdings, and population base. Most of the villages in rural Alaska are not connected by roads and are not on an interconnected electric grid. There are countless permitting and deployment challenges not faced anywhere else in the nation, and we have a substantially larger proportion of federally protected wilderness to consider. The construction season is dramatically shortened in many areas due to the Arctic climate, and the weather and the lack of infrastructure makes logistics that much more complicated.

The lack of an electric grid also means that providers must bring their own power supply – which due to the long, dark winter and extreme cold and icing – often comes from expensive diesel fuel imported from Canada instead of local renewable power sources. Fuel shipments are contingent on weather, as well as available transportation, leading to electricity costs that exceed the national average by nearly eight times in communities that rely on air shipments.

These are just some of the many issues that make it uniquely expensive to provide broadband service in most regions of Alaska. We ask you to take some of Alaska's unique circumstances into consideration when developing what constitutes "high-cost areas."

Question 18: The Bipartisan Infrastructure Law provides that BEAD funding can be used in a variety of specific ways, including the provision of service to unserved and underserved areas, connection of community anchor institutions, data collection, installation of service within multi-family residential buildings, and broadband adoption programs. The law also permits the Assistant Secretary to designate other eligible uses that facilitate the program's goals. What additional uses, if any, should NTIA deem eligible for BEAD funding?

In preparation for the broadband infrastructure funding expected in the IIJA, the State of Alaska convened a broadband task force over the summer and fall of 2021 to bring stakeholders together and begin the very discussions needed to successfully implement the BEAD and Digital Equity Act (DEA). The task force's final report can be found at gov.alaska.gov/broadband. One recommendation the task force put forward was the creation of a "Broadband Parity Adjustment" to ensure affordability for rural Alaska residents who pay high costs for relatively small amounts of bandwidth.

This recommendation was the task force's attempt to address a low-cost option in many communities with very different economic challenges, and it was modeled after another Alaska cost relief program that has been immensely successful for many years, the Power Cost Equalization (PCE) program. PCE provides relief to eligible residents who live in high-cost electricity areas, thereby reducing their bill to a more equalized and affordable amount. Please consider the allowance of a "broadband parity adjustment" that would provide relief for consumers, keeping broadband affordable for those who need it, until Alaska's broadband buildout is complete.

Another allowable use we ask for your consideration of is allowing us to use a small portion of our BEAD funding to pay for the Alaska State Broadband Assistance Grant Program (BAG), which helps rural schools purchase a limited amount of bandwidth they otherwise couldn't afford.

In 2014, Alaska public schools had just two sources of funding to pay for broadband: E-Rate funds and local school district funds. Broadband in rural areas of the state is usually prohibitively expensive. Students and faculty previously had problems accessing online services and resources because many schools were operating at broadband speeds of less than 10 mbps. At the time, broadband costs seriously impacted the ability of rural school districts to offer equitable education when compared to urban districts with lower broadband costs.

That year, the Alaska Legislature passed a bill to ensure that schools could afford broadband at 10 mbps by adding a third funding source for these services. Schools that were receiving E-Rate to combine with their local funds for broadband were given the chance to apply to the Alaska State Library for a BAG award to bring their schools up to 10 mbps. Since 2014, the School BAG program has remained popular with school districts and has helped address educational equity issues for rural areas.

In 2020, the Legislature recognized the positive impact of this grant program by revising the statute to help schools afford 25 mbps. This was the next step in bringing additional bandwidth to rural Alaska schools and became an important component of providing bandwidth to rural communities during the pandemic. We request the ability to use BEAD funding for this purpose in order to bring rural schools up to the bandwidth requirements set out in the IIJA.

Question 27: Equity is also a named goal of the BEAD program described above. How should NTIA ensure that State Digital Equity Plans and the plans created by states and territories for the BEAD program are complementary, sequenced and integrated appropriately to address the goal of universal broadband access and adoption?

The five-year action plan required in the BEAD program has many synergies with the Digital Equity Plan, particularly as it applies to Alaska. Most of Alaska's more rural populations are likely going to be considered unserved in the BEAD program and will likely be a top priority to address in the Digital Equity Plan. To the greatest extent possible, we request that you align the rules and the compliance measures so we can use the same information for both plans and not have to duplicate work. This will allow for more efficient use of our time and staff, freeing up resources to put toward stakeholder engagement, and implementing high-quality programs that connect Alaskans and are scalable and ready to handle the needs of our communities for the next 50 to 100 years.

Thank you for your consideration and for all the NTIA's efforts to implement broadband programs across the country. We respect the work you do and look forward to collaborating with you on these and other programs.

Respectfully Submitted,



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