

From: [Shawn Williams](#)
To: [Rep. Zack Fields](#)
Cc: [Evan Anderson](#); [Tristan Walsh](#); [Grace Kubitz](#)
Subject: HB 363, 370 and 371 in L&C
Date: Sunday, March 6, 2022 1:41:53 PM
Attachments: [image001.png](#)
[Alaska Tribal Spectrum to Sec. Raimondo.pdf](#)
[Chief Mike Williams to Sec. Raimondo Letter\[11\].pdf](#)
[HB0363A - REVISED 3.4.22.docx](#)
[Teresa Jacobson Opinion.pdf](#)

WE MUST DO BETTER FOR RURAL ALASKA

Representative Fields,

For decades, we've relied on Alaska telecoms to deploy broadband to the best of their abilities with Federal funds. While they've made some progress, \$400M per year in subsidies is NOT deploying broadband fast enough.

We have got to change the way broadband is working in Alaska. This is where we are today:

- 36.3% of rural Alaskans (~100,000) still have no wired broadband (25X3 or faster) connection*
- No rural Alaska school meets the FCC's educational goals of 1 Mbps per student
- Rural Alaska schools and health clinics often pay \$40,000 to \$60,000 per month for 25X3 service (each)
- Even when a fiber runs down the middle of the road to schools and health clinics, rural Alaska residents are often passed as potential customers
- Anchorage pays ~\$.24 for a GB of data – Adak pays ~\$22.22
- Off the Northern coast of Alaska, 25X3 fiber broadband service is offered at \$499 per month
- Approximately 90 rural Alaska villages are unserved (no internet) or underserved (less than 25X3)
- There is currently NO short or long-term plan to reach the remaining unserved and underserved in rural Alaska

We can do better for rural Alaskans, including our Alaska Native Villages and that's exactly what Pacific Dataport is doing. We are a middle mile provider, located in Anchorage, of new LEO and GEO HTS satellite technology that literally covers every inch of Alaska. The State of Alaska should be investing in this technology to deploy broadband statewide, like we are [currently doing in Akiak](#).

With the State of Alaska's help, Pacific Dataport could deploy middle mile to 100% of Alaska's unserved communities within 3 years. To date, we are the only organization with a plan to serve everyone quickly.

Regarding HB 363, 370 and 371, I wanted to send over an outline of challenges and solutions with each bill as it stands in House L&C (see below), including an edited version of HB 363 with comments (see attached). I've also included three letters that were recently written by Tribal leaders, which express their discontent with the expansion of broadband in Alaska.

Please let me know if I can answer any questions or help further on these bills – it would be my

pleasure. I am also available to testify as a broadband expert. Thank you.

Respectfully,

Shawn Williams



* Retrieved from "[FCC FOURTEENTH BROADBAND DEPLOYMENT REPORT](#)" issued 1.19.21, page 57

Attached:

- Alaska Tribal Spectrum Letter U.S. Secretary of Commerce Raimondo
- Chief Mike Williams Letter to U.S. Secretary of Commerce Raimondo
- Teresa Jacobson Letter to Anchorage Daily News
- HB 363 SUGGESTED EDITS

CURRENT BROADBAND BILLS IN HOUSE L&C– CHALLENGES AND SOLUTIONS

HB 363 ("An Act establishing the office of broadband; creating the broadband parity adjustment fund; establishing the Statewide Broadband Advisory Board; and providing for an effective date.") (SEE ATTACHED.)

1. **Challenge:** Does not address Alaska's missing middle mile, which is the biggest component of setting rates at the consumer level. Mentioned by providers ([2021 FCC Alaska Plan Midterm Review](#)) and State broadband reports ([2014](#) and [2019](#)) as the single biggest barrier to expansion. It was also mentioned in [Senate Joint Resolution 13](#) (SJR13) and [House Joint Resolution 19](#) (HJR19) where both chambers address the importance of broadband and funding sources. HJR19 specifically mentions using satellite to expand broadband in Alaska. HB 363 must address funds for missing middle mile and get more rural Alaskans connected.
2. **Challenge:** Must be open to ALL Internet service providers (ISP's) including Tribes and Tribal consortiums, not just LEC's.
3. **Challenge:** This looks like it was written by the telecoms. The ATA (Alaska Telecom Association) does not represent satellite, Tribes, Tribal consortiums, or middle mile providers.
4. **Challenge:** The SOA must come up with a statewide solution that provides affordable broadband (100/20) within 5 years, according to the [Governor's Alaska Broadband Task Force Report](#):
 - a. This cannot happen with fiber – buildout takes too long
 - b. Must be truly technology neutral or someone's getting left behind (this is required congressionally)
 - c. Only three ways to make it affordable:
 - i. More subsidies from the SOA
 - ii. More subsidies from the feds (AK telecoms already get \$400M/year)
 - iii. Utilize new satellite technologies like LEO and GEO HTS (this is what we're doing on Akiak, and the tribes want to install)

1. It complements current middle mile and what telecoms already have
 2. When fiber arrives, a community disconnects the satellite and connects fiber
4. **Solution:**
- a. Focus on building affordable middle mile, not more ongoing consumer subsidies. Use these economic criteria:
 - i. Cost to the customer, time to deployment, breadth of coverage, sustainability without further subsidy
 - b. Promote COMPETITION
 - i. No need to "prioritize" certain applicants
 - ii. Include ALL telecoms and ISP's broadband providers access to funds
 - iii. Do not exclude Tribes, Tribal consortiums, satellite last mile providers or satellite middle mile providers
 - iv. Remove anti-satellite terms/phrases (latency, future-proof, reliability) and remain TRULY technology neutral. These terms are used to eliminate non-fiber options.
 - v. Require ALL telecoms and ISP's to contribute anonymous mapping data (pricing, speeds offered and asset coverage)
 - c. Finally come up with a reasonable plan to get affordable broadband to everyone in rural Alaska now. Use the new satellite technology (LEO and GEO HTS) available to establish a ubiquitous cover over Alaska and when fiber arrives, hook it up to the existing last mile in the community.
 - i. **Pacific Dataport would be open to a PPP agreement where the State of Alaska invests in our second, larger satellite. The result would be lower middle mile costs and affordable broadband statewide quickly.**

HB 370 ("An Act relating to broadband; relating to the Alaska Energy Authority; and relating to the Regulatory Commission of Alaska.")

- **Challenge:** The term "plant or facility" and "project" clearly supports communications infrastructure, but seems to be unclear about a satellites and gateway investments with assets in space and outside Alaska.
- **Solution:** Modify AIDEA statute definition of "project" to include "satellite middle mile infrastructure" when it benefits all Alaskans. ([AS 44.88.085](#))
- **Solution:** Modify AIDEA statute definition of "plant or facility" to allow equity investment, bond issuance, loans, and loan guarantees for "satellite middle mile infrastructure projects" with ground segment assets located in another state and satellite assets located in space. ([AS 44.88.900](#))

HB 371 ("An Act relating to broadband; and establishing the broadband cost equalization fund.")

- **Challenge:** Middle mile in rural Alaska currently costs \$700 to \$6,000 per Mbps per month (wholesale). This produces consumer monthly broadband at 25/3 for \$499 (retail).
- **Challenge:** In order to achieve actual parity (comparable price, speeds and data caps) with Anchorage, middle mile would need to fall to \$22 per Mbps (wholesale).

Challenge: For 40,000 subscribers in rural Alaska, the total in parity funds would total at least \$700M per year.

- **Solution:** We do not believe this will be enough subsidy money to effectively lower consumer broadband prices in rural Alaska. It takes money from urban Alaskans and gives it to the telecoms.
 - **Solution:** At least disburse the funds to qualifying Alaska low income consumers, in a program similar to the FCC Emergency Broadband Benefit Program.
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"Bringing more affordable, high-quality broadband to ALL Alaskans & Communications to the Arctic"

About Pacific Dataport Inc. - Pacific Dataport Inc. (PDI) is a satellite middle mile provider headquartered in Anchorage, Alaska. PDI was founded "by Alaskans, for Alaskans" to enable Internet access for everyone, everywhere in Alaska. PDI is focused on providing affordable middle mile and last mile broadband using the newest satellite technology from the Aurora and OneWeb Networks. PDI clients include telecoms (wired & wireless), non-profits, hospitals, clinics, schools, libraries, governments (Tribal, local, state & federal) and Alaska Native Corporations, Villages, Tribes and Tribal consortiums.

AURORA NETWORK (Alaska): PDI is currently developing the statewide Aurora Network, which consists of launching two new GEO HTS/VHTS satellites. The first is the Aurora 4A and it will be operational in Q2 2022 with ~7.5 Gbps. The second, which will be known as the Aurora IV, will be operational in Q4 2024 with 100+ Gbps. The Aurora Network will increase Alaska's middle mile broadband capacity by approximately 110 Gbps and serve ~98,000 broadband users with 25X3 service. This means more affordable, high-quality broadband for ALL Alaskans.

ONEWEB NETWORK (worldwide): PDI is the preferred provider for OneWeb capacity in Alaska and Hawaii. The OneWeb system will offer low-earth orbit (LEO) satellite service with Alaska coming online first in Q4 2021. OneWeb's LEO constellation will consist of 648 satellites, offering very low latency and fiber-like broadband service.