

**SB**

**52**

SFIN

FILE

# SENATE FINANCE COMMITTEE REPORT

DATE: 3/31/99

FURTHER:

DATE TURNED  
IN TO OFFICE: 4/13/99

Finance Committee considered

SENATE BILL NO. 52

"An Act relating to competition in the provision of local exchange telephone service; and providing for an effective date."

and recommends:

- be replaced with \_\_\_\_\_ CS SB 52 (FIN)
- adopt previous \_\_\_\_\_ CS \_\_\_\_\_ (\_\_\_\_\_)
- attached amendment(s) forthcoming
- adopt Letter of Intent by \_\_\_\_\_ CS
- further referral to the \_\_\_\_\_

- Senate Bill:**
- same title
  - new title
- House Bill:**
- same title
  - technical title
  - new: SCR# \_\_\_\_\_

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>Robert Kelly</i>	✓	<i>John E. Riley</i>		✓	
<i>Brian D. Homan</i>	✓	<i>Richard Green</i>		✓	
<i>Dan Donley</i>	✓	<i>Ed Adams</i>		X	
		<i>Samuel</i>	✓		
Co-Chair: <i>[Signature]</i>	✓	Co-Chair:			
Co-Chair: <i>[Signature]</i>	✓	Co-Chair:			

**NEW FISCAL NOTE(S):**

Department	Date	Zero	Fiscal
<i>forthcoming</i>			
<i>F/N</i>			

**PREVIOUS FISCAL NOTE(S):\***

Department	Date	Zero	Fiscal

APPROPRIATION -- no fiscal note

\*include fiscal notes accompanying Governor's bill

# FISCAL NOTE

S:0 4/13/99

**STATE OF ALASKA  
1999 LEGISLATIVE SESSION**

**BILL NO. CSSB 52 (Finance)**

Revision Date/Time (Note if correction) \_\_\_\_\_ Dept. Affected Commerce  
 Title Competition in local exchange telephone service BRU  
 Component Ak Public Utilities Commission  
 Sponsor Sen. Pete Kelly  
 Requester \_\_\_\_\_ Component Serial No. 364

**Expenditures/Revenues (Thousands of Dollars)**

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Personal Services	124.2	124.2	124.2	76.1	0.0	
Travel	1.5	1.5	1.5	0.9	0.0	
Contractual	11.6	11.6	11.6	7.1	0.0	
Supplies	2.7	2.7	2.7	1.7	0.0	
Equipment	0.6	0.6	0.6	0.4	0.0	
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>140.6</b>	<b>140.6</b>	<b>140.6</b>	<b>86.2</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>						
-----------------------------	--	--	--	--	--	--

<b>CHANGE IN REVENUES ( )</b>	<b>140.6</b>	<b>140.6</b>	<b>140.6</b>	<b>86.2</b>	<b>0.0</b>	<b>0.0</b>
-------------------------------	--------------	--------------	--------------	-------------	------------	------------

**FUND SOURCE (Thousands of Dollars)**

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)	140.6	140.6	140.6	86.2	0.0	0.0
<b>TOTAL</b>	<b>140.6</b>	<b>140.6</b>	<b>140.6</b>	<b>86.2</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY99) cost: \_\_\_\_\_

**POSITIONS**

Full-time	2.5	2.5	2.5	1.5	0.0	
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

Please see attached narrative.

Prepared by Robert A. Lohr Phone 276-6222  
 Division APUC Date/Time 4/20/99 2:55 PM  
 Approved by Commissioner [Signature] Date 4/21/99  
 Agency \_\_\_\_\_

**PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE**

For further distribution information, call the Governor's Legislative Office

## SB 52 - Narrative for Fiscal Analysis

SB 52 directs the commission to "provide for competition in local exchange telephone service in a timely manner" and to "adopt regulations that eliminate impediments to entry for local exchange carriers fit, willing and able to provide service."

SB 52 directs the commission to adopt by July 1, 1999, regulations on universal service and access charges that are compatible with full competition. The first phase of rulemaking proceedings (Dockets R-97-5 and R-97-6) to reform universal service and access charge issues has been completed. Rules have been adopted to remove implicit subsidies from access charges and to create an Alaska universal service fund to ensure the continued availability of services to all customers.

The Bill also directs the Commission to adopt by July 1, 1999, any further regulations necessary to allow and promote local exchange competition in the service areas of all local exchange carriers that served 25,000 or more access lines on January 1, 1999. This would affect five incumbent local exchange companies, Anchorage Telephone Utility, Telephone Utilities of Alaska, Telephone Utilities of the Northland, PTI Communications and Matanuska Telephone Association. The Bill delays effectiveness of the Bill for cooperative telephone companies for two years. This effectively delays implementation in the Matanuska Telephone Association service area for two years. Therefore, the changes brought by the Bill will allow competition in the service areas of the PTI companies (Fairbanks, Juneau and the Kenai Peninsula) by July 1, 1999.

To the extent that SB 52 means that the three companies will face competition the commission expects an increase in the number of tariff filings as competitors and incumbents propose new services and rates.

SB 52 requires that the Commission approve or deny applications to provide competitive local exchange telephone service within 90 days after the filing of a complete application. If the Commission fails to approve or deny an application within 90 days after the Commission has received a complete application, the application is considered approved. To fulfill its statutory responsibility to ensure that only fit, willing and able applicants are certificated to provide service the Commission will need to increase its engineering personnel to assure competent analysis and commission consideration within the ninety day period.

### Personnel Costs

a) Review of Applications: Assuming an average of one new application for each local exchange telephone company, the engineering section will see an increase in the number of telephone applications it receives in the first years following implementation of local telephone competition. One full-time Utility Engineering Analyst II will be required to analyze the filings.

b) Review of Tariffs: In June 1998, the Commission adopted rules governing local exchange competition in the Anchorage area. Competitors have begun to introduce new services and modify existing rates which has resulted in increases in the number of tariff revisions filed

with the Commission. In the first 8 and one half months in FY99 the Commission has experienced a 30 percent increase in the number of tariff filings as compared to the entire twelve months of FY98--70 percent of that increase is telecommunications related tariff filings. Even under the competitive rules which allow rate changes to go into effect automatically (after 30 days notice to the Commission), a basic review of filings is required to ensure that rates are just and reasonable and that the filings are neither discriminatory nor anti-competitive. Estimate of additional staff required: one full-time Utility Tariff Analyst II. In addition the basic record keeping responsibilities that are created by an increase in tariff filings will require a full time Administrative Clerk II.

The original Bill directed the Commission to provide for competition in service areas of over 5,000 access lines that affected nine incumbent local exchange companies. The fiscal note analysis was based on those criteria. Subsequent changes to the Bill have narrowed the field of local exchange companies subject to competition to three. However, those three companies serve Fairbanks, Juneau and the Kenai Peninsula which are areas most likely to experience competition in the near future. The original analysis considered competition in the service areas of the three companies (Telephone Utilities of Alaska, Telephone Utilities of the Northland, PTI Communications) to be a major contributing factor in increased Commission workload. This revised fiscal note for SB 52 takes into account the narrowing of the scope of competition by incorporating a fifty percent reduction in the Utility Tariff Analyst II FTE.

A M E N D M E N T

SENATE FINANCE

COMMITTEE

Amendment Number: 41

Bill Number: SB 52

Sponsor: Green Date: 4/07/99

Logged In By: J. Galtari

moved by Sen. Green  
object: sen. Kelly  
44-51 FAILED

OFFERED IN THE SENATE

TO: SB 52

- 1 Page 2, line 16, following "1999":
- 2       Insert ", other than the service areas of telephone cooperatives"
  
- 3 Page 2, line 19, following "and":
- 4       Insert ", except for applications to provide competitive local exchange telephone
- 5 service in the service area of a telephone cooperative,"
  
- 6 Page 2, line 25, following "application":
- 7       Insert ", other than an application to provide competitive local exchange telephone
- 8 service in the service area of a telephone cooperative,"
  
- 9 Page 2, line 26, following ".":
- 10       Insert "The commission shall deny an application to provide competitive local
- 11 exchange telephone service in the service area of a telephone cooperative."

A M E N D M E N TSENATE FINANCE  
COMMITTEEAmendment Number: # 2  
Bill Number: CSSB 52 (L&C)  
Sponsor: P Kelly Date: 4/13/99  
Logged In By: J Koltarimoved by Sen. Kelly  
object Sen. Torgerson

## OFFERED IN THE SENATE

TO: CSSB 52(L&amp;C)

1 Page 2, line 16, following "1999":

2 Insert ", other than the service areas of telephone cooperatives"

3 Page 2, line 19, following "and":

4 Insert ", except for applications to provide competitive local exchange telephone  
5 service in the service area of a telephone cooperative,"

6 Page 2, line 25, following "application":

7 Insert ", other than an application to provide competitive local exchange telephone  
8 service in the service area of a telephone cooperative,"

9 Page 2, line 31:

10 Delete all material and insert:

11 "\*\* Sec. 2. AS 42.05.870(b) is amended to read:

12 (b) By July 1, 1999, the commission shall adopt

13 (1) regulations ensuring universal service and providing for access  
14 charges that are compatible with full competition in the provision of local exchange  
15 telephone service using all methods allowed by 47 U.S.C. 251 - 276  
16 (Telecommunications Act of 1996); and17 (2) any further regulations necessary to allow and promote local  
18 exchange competition, using all methods allowed by 47 U.S.C. 251 - 276  
19 (Telecommunications Act of 1996), in the service areas of all local exchange carriers  
20 that served 25,000 or more access lines on January 1, 1999 [, OTHER THAN THE  
21 SERVICE AREAS OF TELEPHONE COOPERATIVES].

22 \* Sec. 3. AS 42.05.870(c) is amended to read:

1           (c) The commission shall approve or deny applications to provide competitive  
2 local exchange telephone service within 90 days after the filing of a complete  
3 application and [, EXCEPT FOR APPLICATIONS TO PROVIDE COMPETITIVE  
4 LOCAL EXCHANGE TELEPHONE SERVICE IN THE SERVICE AREA OF A  
5 TELEPHONE COOPERATIVE,] shall consider competitive local exchange telephone  
6 service to be a service required for the convenience and necessity of the public under  
7 AS 42.05.241. The commission shall approve an application on a finding that the  
8 applicant is fit, willing, and able to provide the service. In accordance with 47 U.S.C.  
9 253(f), the commission may require the applicant to offer service throughout the study  
10 area of the existing local exchange telephone utility. If the commission fails to  
11 approve or deny an application [, OTHER THAN AN APPLICATION TO PROVIDE  
12 COMPETITIVE LOCAL EXCHANGE TELEPHONE SERVICE IN THE SERVICE  
13 AREA OF A TELEPHONE COOPERATIVE,] within 90 days after the commission  
14 has received a complete application, the application is considered approved.

15 \* Sec. 4. (a) Section 1 of this Act takes effect immediately under AS 01.10.070(c).

16           (b) Sections 2 and 3 of this Act take effect on the date two years after the day  
17 sec. 1 of this Act takes effect."

SUBJECT: \_\_\_\_\_  
DATE: \_\_\_\_\_

	YEA	NAY
SENATOR DONLEY		
SENATOR LEMAN		
SENATOR WILKEN		
SENATOR ADAMS		
SENATOR P. KELLY		
SENATOR L. GREEN		
SENATOR PHILLIPS		
SENATOR TORGERSON		
SENATOR PARNELL		
TOTAL:		

SUBJECT: Report Roll out  
DATE: 4/12/99

	YEA	NAY
SENATOR WILKEN	✓	
SENATOR ADAMS		✓
SENATOR P. KELLY	✓	
SENATOR L. GREEN		✓
SENATOR PHILLIPS		✓
SENATOR DONLEY	✓	
SENATOR LEMAN	✓	
SENATOR TORGERSON	✓	
SENATOR PARNELL	✓	
TOTAL:	6	3

SUBJECT: <sup>SB 52</sup> Amend #1 FAILED  
DATE: 4/13/99

	YEA	NAY
SENATOR LEMAN		✓
SENATOR WILKEN		✓
SENATOR ADAMS	✓	
SENATOR P. KELLY		✓
SENATOR L. GREEN	✓	
SENATOR PHILLIPS	✓	
SENATOR DONLEY		✓
SENATOR TORGERSON	✓	
SENATOR PARNELL		✓
TOTAL:	4	5

SUBJECT: Amend #2 ADOPTED  
DATE: 4/13/99

	YEA	NAY
SENATOR ADAMS		✓
SENATOR P. KELLY	✓	
SENATOR L. GREEN		✓
SENATOR PHILLIPS	✓	✓
SENATOR DONLEY	✓	
SENATOR LEMAN	✓	
SENATOR WILKEN	✓	
SENATOR TORGERSON	✓	
SENATOR PARNELL	✓	
TOTAL:	6	3

# Alaska State Legislature

## Senate



Official Business

State Capitol  
Juneau, AK. 99801-1182

### Sponsor Statement:

#### SB 52

#### Telecommunications Competition

Senate Bill 52 requires the Alaska Public Utilities Commission (APUC) to adopt regulations permitting local telephone competition in areas having 5,000 or more lines by July 1, 1999. History has proven competition gives consumers lower costs, increased technology and more choices.

In 1996, Congress passed the Telecommunications Act allowing and promoting local telephone competition nationwide. The APUC exempted Fairbanks and Juneau from full local competition because of fears that competition might harm the existing phone monopoly (PTI). PTI was purchased in 1997 by Century Telephone, which has its headquarters in Louisiana. The purchase of PTI made Century the 10<sup>th</sup> largest phone company in the United States. Century has since sold its local telephone services to Alaska Communication Systems and affiliated companies (pending regulatory approval).

The fears that promoted the APUC to delay full competition in Fairbanks and Juneau are the same fears that caused the APUC to delay long distance competition in Alaska for many years. As we have all seen, those fears were unfounded and long distance competition produced better quality, new services and lower prices for consumers throughout the state.

# Alaska State Legislature

SENATOR  
PETER KELLY

Mailing Address:

119 N. Cushman, Suite 201

Fairbanks, Alaska 99701

Senator\_Pete\_Kelly@legis.state.ak.us

(907) 456-8161



Senate

While in Juneau  
State Capitol  
Juneau, Alaska  
99801-1182  
(907) 465-2327

Senate District P

## Sectional

### SB 52

#### **An Act providing for competition in local telephone service.**

- Section 1.**
- (a) Finds competition in local exchange telephone service to be of benefit to consumers throughout the state.
  - (b) Requires the commission to adopt regulations to enable local competition.
  - (c) The Legislature provides the commission (APUC) with the finding that an applicant for local exchange competition is convenient and necessary for the public. The commission has 90 days to determine if the applicant is fit, willing and able to provide the service.
  - (d) A municipality may not regulate a utility competing in a local telephone exchange under this law.

Subscriber Access Lines

ATU (Anchorage)	155,855
GTE (See attached list)	58,738
MTA (Matanuska Valley)	45,508
PTI (Fairbanks)	37,338
PTI (Juneau)	30,063
Ketchikan Utilities	10,532
United Utilities (See attached list)	5,530
Copper Valley Telephone	5,389
Interior Telephone Co. (TeleAlaska)	4,642
Alaska Telephone Co. (S.E. Alaska – See attached list)	4,200
OTZ Telephone (Kotzebue)	3,036
Arctic Slope	2,277
Nushagak Telephone (Bristol Bay)	2,187
Cordova Telephone	1,868
Bristol Bay Telephone	1,852
Tele Alaska – Nukluk	1,228
Bush Tel (Kuskokuim)	798
Yukon Telephone	433
Summit Telephone	135



# HELLENTHAL & ASSOCIATES, INC.

## METHODOLOGY AND SUMMARY

This report presents an analysis of a survey of Kenai Peninsula area adult residents. The survey measured properties of Kenai Peninsula residents' demographics, behaviors and attitudes concerning competition in the local telephone market. Research typically involves estimating the characteristics of a designated population. Because of the costs of conducting a census of all items in a population, and the adequacy of sample results, sample statistics were used to make statistical inferences concerning population parameters.

Two hundred and sixty-eight (288) Kenai Peninsula area adults were interviewed between February 19th and 22nd, 1998. Interviewing was conducted by telephone on a random digit basis. All Kenai Peninsula households that are accessible by telephone had an equal chance of being interviewed.

At a 95% confidence level, the empirical proportions reported in this survey can be projected, within plus or minus 5.99%, to the entire Kenai Peninsula adult population, aged 18 and over. This means one can be 95% sure that the frequencies reported in this survey are within 5.99% of the true Kenai Peninsula area adult population proportions.

Kenai Peninsula area adults clearly .....

- o want competition in the local telephone market (75.7%)
- o see lower prices as the most important benefit (76.8%)
- o see higher prices as the biggest disadvantage (39.5%)
- o believe PTI is doing a somewhat or very good job (84.8%)
- o think competition will result in new technology (77.2%)
- o think competition will result in lower prices (87.5%)
- o believe repackaging PTI's service will not result in the full benefits of competition (63.9%)
- o would somewhat or very much worsen their impression of PTI, if they thought PTI was responsible for preventing competition for local telephone service (48.7%)
- o believe Kenai Peninsula is not too rural for competition (86.3%)
- o think Kenai Peninsula will not receive all of the advantages occurring in the telecommunication industry, if PTI maintains its monopoly (55.5%)
- o believe competition in the long distance market has been good (86.3%)
- o think competition in the local telephone market would be good (89.7%)

KENAI PENINSULA RESIDENTIAL PUBLIC OPINION RESEARCH SURVEY

February 19 to 22, 1998

Sample size = 268  
Margin of error ± 5.99%

HELLENTHAL & ASSOCIATES  
2200 Vanderbilt Circle  
Anchorage, Alaska 99508  
(907) 276-1001 or  
277-2315 (fax)

Hello, my name is \_\_\_\_\_ and I am calling for Helleenthal & Associates. We are conducting a Kenai Peninsula area public opinion research survey. Your telephone number was randomly selected. The questions I need to ask will take five to seven minutes. All of your responses will be completely confidential. (PAUSE AND PROCEED)

S1. Is this telephone number \_\_\_\_\_? (IF NO, TERMINATE WITH, "I'm sorry, I dialed the wrong number")

S2. Is this a residence? (IF NO, TERMINATE INTERVIEW WITH, "I'm sorry, I need to talk to someone at a residential telephone")

S3. I would like to speak to one of the adults in your home who makes or helps make decisions about your telephone service. Who would that be?

(Ascertain the name of the person and if possible a more direct number. record on answer sheet. If they can talk straight away, proceed. If they cannot, ask appropriate questions and terminate...)

1. Do you want competition in the local telephone market?

LOCAL COMPETITION	FREQUENCY	PERCENT
YES.....	203.....	75.7%
NO.....	28.....	10.3%
DON'T KNOW.....	38.....	14.1%

2A. What is the most important benefit you see if there is competition in the local telephone market?

BENEFITS	FREQUENCY	PERCENT
Don't see any benefits.....	9.....	3.4%
Lower prices.....	206.....	76.8%
Choose quality of service.....	24.....	9.1%
Keeps the companies on their toes.....	1.....	0.4%
More choice/no monopoly.....	7.....	2.7%
Better products/newer technology.....	4.....	1.5%
Getting AK Airline miles.....	1.....	0.4%
Lower internet.....	2.....	0.8%
Office in Juneau.....	1.....	0.4%
More phone lines.....	2.....	0.8%
Don't know.....	10.....	3.8%

28. What is the biggest disadvantage to consumers you see if there is no competition in the local telephone market?

DISADVANTAGES	FREQUENCY	PERCENT
Don't see any disadvantages.....	13.....	4.9%
Higher prices.....	106.....	39.5%
Inadequate service.....	19.....	7.1%
No new technology.....	1.....	0.4%
Monopoly/can do anything they want.....	66.....	24.7%
Harder for the companies to make money...1.....	1.....	0.4%
Lack of choice.....	13.....	4.9%
Billing problems.....	1.....	0.4%
Hard to deal with big corporation.....	1.....	0.4%
No phone lines available.....	1.....	0.4%
Apathy of part of the suppliers.....	1.....	0.4%
Inconvenience.....	2.....	0.8%
Higher internet cost.....	3.....	1.1%
No local service office.....	1.....	0.4%
No consolidation.....	1.....	0.4%
Don't know.....	37.....	13.7%

3. What type of job do you think PTI is doing in providing you with local telephone service? Do you think PTI is doing a very good, somewhat good, somewhat poor, or very poor job in providing you with local telephone service?

PTI'S JOB RATING	FREQUENCY	PERCENT
VERY GOOD.....	100.....	37.3%
SOMEWHAT GOOD.....	127.....	47.5%
NEUTRAL (DO NOT READ).....	21.....	8.0%
SOMEWHAT POOR.....	9.....	3.4%
VERY POOR.....	10.....	3.8%

4. Do you think competition in the local telephone market will result in new technology?

NEW TECHNOLOGY	FREQUENCY	PERCENT
YES.....	207.....	77.2%
NO.....	26.....	9.9%
DON'T KNOW.....	35.....	12.9%

5. Do you think competition in the local telephone market will result in lower prices for telephone service?

LOWER PRICES	FREQUENCY	PERCENT
YES.....	234.....	87.5%
NO.....	22.....	8.4%
DON'T KNOW.....	11.....	4.2%

6. There are two types of competition: one way is to resell PTI's service where a competitor is only allowed to repackage that service; another way is for a competitor to build its own network and facilities. If a competitor for local telephone service is only allowed to repackage PTI's service, do you think that will result in the full benefits of competition?

REPACKAGING FULL BENEFITS	FREQUENCY	PERCENT
YES.....	30.....	11.0%
NO.....	171.....	63.9%
DON'T KNOW.....	67.....	25.1%

7. If PTI was responsible for preventing competition for local telephone service, would your impression of PTI very much worsen, somewhat worsen, or would it not make a difference to you?

PTI'S IMAGE IF PREVENTS COMPETITION	FREQUENCY	PERCENT
VERY MUCH WORSEN.....	33.....	12.2%
SOMEWHAT WORSEN.....	98.....	36.5%
NO DIFFERENCE.....	115.....	43.0%
DON'T KNOW.....	22.....	8.4%

8. The Alaska Public Utility Commission (APUC) considers Kenai Peninsula to be a rural community. Do you think Kenai Peninsula is too rural for competition?

KENAI TOO RURAL FOR COMP	FREQUENCY	PERCENT
YES.....	24.....	9.1%
NO.....	231.....	86.3%
DON'T KNOW.....	12.....	4.6%

9. If PTI maintains its monopoly and there is no competition, will Kenai Peninsula receive all of the advantages occurring in the telecommunication industry?

IF MONOPOLY ADVANTAGES	FREQUENCY	PERCENT
YES.....	63.....	23.6%
NO.....	149.....	55.5%
DON'T KNOW.....	56.....	20.9%

10. Do you think competition in the long distance market has been good for consumers?

LONG DISTANCE COMPETITION	FREQUENCY	PERCENT
YES.....	231.....	86.3%
NO.....	18.....	6.8%
DON'T KNOW.....	18.....	6.8%

11. Would competition in the local telephone market be good for consumers?

LOCAL COMPETITION GOOD	FREQUENCY	PERCENT
YES.....	240.....	89.7%
NO.....	9.....	3.4%
DON'T KNOW.....	18.....	6.8%

12. Are you registered to vote in the State of Alaska?

REGISTERED TO VOTE?	FREQUENCY	PERCENT
YES.....	239.....	89.4%
NO.....	29.....	10.6%

13. How many total years of education have you completed? (FORMAL ATTENDANCE IN SCHOOL) (EIGHTH GRADE = 8; HIGH SCHOOL = 12; TRADE SCHOOL = 13; COLLEGE GRADUATE - BA or BS = 16; MASTERS DEGREE = 18; LAWYER, DOCTOR, Ph.D = 19)

EDUCATION OF RESPONDENT	FREQUENCY	PERCENT
High school or less.....	74.....	27.8%
1 to 2 Years college.....	94.....	35.0%
3 to 4 Years college.....	56.....	20.9%
Post college.....	44.....	16.3%
(Mean = 14.251 years)		
(Median = 13.186 years)		

14. Of the people presently living in your household how many are children or adolescents aged 18 or under?

CHILDREN	FREQUENCY	PERCENT
None.....	139.....	51.7%
One.....	45.....	16.7%
Two.....	44.....	16.3%
Three or more.....	41.....	15.2%
(Mean = 1.019)		
(Households with Children Mean = 2.110)		

15. In what year were you born? (COMPUTED TO AGE BY SUBTRACTING FROM 98)

AGE OF RESPONDENT	FREQUENCY	PERCENT
18 to 29.....	26.....	9.9%
30 to 34.....	20.....	7.6%
35 to 39.....	47.....	17.5%
40 to 49.....	81.....	30.0%
50 year old or older.....	94.....	35.0%
(Mean = 46.350 years)		
(Median = 44.590 years)		

16. Are you married or single?

MARITAL STATUS	FREQUENCY	PERCENT
Married.....	182.....	68.1%
Single.....	86.....	31.9%

17. SEX (USUALLY DO NOT NEED TO ASK).....

GENDER	FREQUENCY	PERCENT
Male.....	115.....	43.0%
Female.....	153.....	57.0%

THE FOLLOWING VARIABLES ARE CALCULATED USING THE CHILDREN, YEAR BORN, MARITAL AND GENDER VARIABLES

MARITAL BY GENDER	FREQUENCY	PERCENT
Married Males.....	73.....	27.4%
Married Females.....	109.....	40.7%
Single Males.....	42.....	15.6%
Single Females.....	44.....	16.3%

FAMILY STATUS	FREQUENCY	PERCENT
Young Single (18-37).....	14.....	5.3%
Adult Single (37+).....	40.....	14.8%
Single Parent.....	32.....	11.8%
Young Couple (18-37).....	4.....	1.5%
Mature Couple (37+).....	81.....	30.0%
Young Family (18-37).....	36.....	13.3%
Mature Family (37+).....	62.....	23.2%

THE FOLLOWING VARIABLE IS CALCULATED USING THE TELEPHONE PREFIX.

AREAS OF KENAI PENINSULA	FREQUENCY	PERCENT
Seldovia/Jakalof Bay 234.....	3.....	1.1%
Halibut Cove 296.....	1.....	0.4%
Homer/Anchor Point 235.....	60.....	22.4%
Port Graham 284.....	1.....	0.4%
Ninilchik 567.....	6.....	2.3%
Kenai/Salamatof 283.....	58.....	21.7%
North Kenai/Nikiski 776.....	23.....	8.7%
Soldotna/Sterling 260.....	6.....	2.3%
Soldotna/Sterling 262.....	84.....	31.2%
Seward 224.....	22.....	8.4%
Moose Pass 288.....	1.....	0.4%
Cooper Landing 595.....	2.....	0.8%

THIS COMPLETES THE SURVEY, THANK YOU VERY MUCH FOR HELPING US -- GOODBYE.

Pick Solie  
Introduced: 09/24/98  
Advanced: 09/24/98  
Substituted: 10/12/98  
Amended: 10/12/98  
Adopted: 10/12/98  
Immediate Reconsideration  
Failed: 10/12/98  
Adopted: 10/12/98

**RESOLUTION NO. 98-066  
A RESOLUTION SUPPORTING FULL LOCAL TELEPHONE COMPETITION**

**WHEREAS, modern telecommunications infrastructure is of critical importance to spur economic development in the Fairbanks North Star Borough; and**

**WHEREAS, wider choice by consumers accompanied by competition for the quality and price of telecommunications services is in the best interest of Fairbanks North Star Borough consumers; and**

**WHEREAS, education and medical services will benefit from advanced telecommunications services such as high speed internet access; and**

**WHEREAS, competition in long distance telecommunications has helped to encourage all of these benefits in Alaska; and**

**WHEREAS, competition in the local telecommunications market will produce the same kind of benefits when permitted in Fairbanks; and**

**WHEREAS, there are more than 50,000 access lines operated by PTI within the Fairbanks North Star Borough which diminishes any practical basis for a rural exemption being imposed within the Borough; and**

**WHEREAS, Full local telephone competition has been authorized only in Anchorage to date, where it has reduced prices significantly so far this year, and has increased the availability and variety of services; and**

**WHEREAS, the Alaska Public Utilities Commission has failed to approve GCI's request to allow full local competition in Fairbanks;**

**NOW, THEREFORE, BE IT RESOLVED that the Fairbanks North Star Borough encourages the Alaska Public Utilities Commission and Alaska State Legislature to adopt a pro-competitive policy for local telephone services which will continue to provide funding mechanisms to finance the universal service priority.**

**BE IT FURTHER RESOLVED that the Fairbanks North Star Borough urges the Alaska Public Utilities Commission to complete its relevant dockets no later than January 1, 1999, and thereafter upon application to allow full local telephone competition.**

**PASSED AND APPROVED THIS 12th DAY OF OCTOBER, 1998.**

Hank Bartos  
Presiding Officer

ATTEST:

Mona Lisa Drexler, CMC/AAE  
Municipal Borough Clerk

Ayes: Parr, Sonafrank, Young, Sattley, LaSota, Solie, Prax, McBride, Bartos

Noes: Quakenbush

Abstained: Webb

Introduced By: Council Member Allen  
Mayor Jim Hayes

RESOLUTION NO. 3789  
A RESOLUTION SUPPORTING FULL LOCAL  
TELEPHONE COMPETITION

WHEREAS, the City of Fairbanks recently sold its telephone utility to PTI in part due to the anticipated and increasing competition in the telephone industry; and

WHEREAS, modern telecommunications infrastructure is of critical importance to spur economic development in the Fairbanks North Star Borough; and

WHEREAS, wider choice by consumers accompanied by competition for the quality and price of telecommunications services is in the best interest of Fairbanks North Star Borough consumers; and

WHEREAS, education and medical services will benefit from advanced telecommunications services such as high speed internet access; and

WHEREAS, competition in long distance telecommunications has helped to encourage all of these benefits in Alaska; and

WHEREAS, competition in the local telecommunications market will produce the same kind of benefits when permitted in Fairbanks; and

WHEREAS, there are more than 50,000 access lines operated by PTI within the Fairbanks North Star Borough which diminishes any practical basis for a rural exemption being imposed within the Borough; and

WHEREAS, Full local telephone competition has been authorized only in Anchorage to date, where it has reduced prices significantly so far this year, and has increased the availability and variety of services; and

WHEREAS, the Alaska Public Utilities Commission has failed to approve GCI's request to allow full local competition in Fairbanks;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAIRBANKS to encourage the Alaska Public Utilities Commission and Alaska State Legislature to adopt a pro-competitive policy for local telephone services which will continue to provide funding mechanisms to finance the universal service priority.

BE IT FURTHER RESOLVED that the City of Fairbanks urges the Alaska Public Utilities Commission to complete its relevant dockets no later than January 1, 1999, and thereafter upon application to allow full local telephone competition.

PASSED AND APPROVED this 26th day of October, 1998

James C. Hayes, Mayor

Ayes: 6  
Nays: 0  
Abstain: 0  
Absent: 0

ATTEST: APPROVED AS TO FORM:

Nancy L. DeLeon, City Clerk Herbert P. Kuss, City Attorney

Presented by: Assemblymember Garrett  
Introduced: 01/04/99  
Drafted by: J.R. Corso

**RESOLUTION OF THE CITY AND BOROUGH OF JUNEAU, ALASKA**

**Serial No. 1976**

**A Resolution Supporting Full Local Telecommunications  
Competition.**

WHEREAS, the City & Borough of Juneau is home to Alaska's State Capital, and

WHEREAS, modern telecommunications infrastructure is of critical importance in maintaining Juneau as Alaska's capital city, and

WHEREAS, modern telecommunications infrastructure is also of critical importance to economic development and a diversified economic base for the city & borough, and

WHEREAS, competition in the delivery of goods and services has always been in the best interest of the citizens of the city & borough because competition has consistently brought lower prices and a higher level of service, and

WHEREAS, the Assembly of the City & Borough of Juneau has consistently supported and advocated for competition in the provision of goods and services for the community, and

WHEREAS, wider choice by consumers accompanied by competition for the quality and price of telecommunications services is in the best interest of the city & borough consumers, and

WHEREAS, the Alaska Public Utilities Commission has now completed proceedings regarding intrastate access charges and establishing a statewide universal service fund;

**NOW, THEREFORE BE IT RESOLVED BY THE ASSEMBLY OF THE CITY  
AND BOROUGH OF JUNEAU, ALASKA:**

**Section 1.** That the Assembly encourages the Alaska State Legislature and the Alaska Public Utilities Commission to adopt a pro-competitive policy especially for local telephone and cable television service.

**Section 2.** The Alaska Public Utilities Commission should include in that policy the requirements that competition for local telephone services assure continued funding for universal service priority, and that prospective competitors provide equal levels of service to all consumers in the city & borough.

**Section 3. Effective Date.** This resolution shall be effective immediately upon adoption.

Adopted this 4<sup>th</sup> day of January, 1999.

Dennis Egan, Mayor

Attest:  
Marian J. Miller, Clerk

SENATE FINANCE COMMITTEE

SIGN-IN

SB 52-LOCAL EXCHANGE TELEPHONE SERVICE

NAME: Judy Warwick Sub./Bill No: CSSB52  
Co./Dept./Title: GCI Reg. Mgr. External Affairs Phone: 456-3354  
Address: 505 Old Steese #101, FBKS Zip: 99701

Do you wish to testify?  Yes  No  Respond to Questions

NAME: \_\_\_\_\_ Sub./Bill No: \_\_\_\_\_

Co./Dept./Title: \_\_\_\_\_ Phone: \_\_\_\_\_

Address: \_\_\_\_\_ Zip: \_\_\_\_\_

Do you wish to testify?  Yes  No  Respond to Questions

NAME: \_\_\_\_\_ Sub./Bill No: \_\_\_\_\_

Co./Dept./Title: \_\_\_\_\_ Phone: \_\_\_\_\_

Address: \_\_\_\_\_ Zip: \_\_\_\_\_

Do you wish to testify?  Yes  No  Respond to Questions

NAME: \_\_\_\_\_ Sub./Bill No: \_\_\_\_\_

Co./Dept./Title: \_\_\_\_\_ Phone: \_\_\_\_\_

Address: \_\_\_\_\_ Zip: \_\_\_\_\_

Do you wish to testify?  Yes  No  Respond to Questions

04/07/99  
08:22:37

LEGISLATIVE TELECONFERENCE NETWORK SYSTEM  
PARTICIPANT LIST (TESTIFIERS ONLY)  
TCN:90526 SCHEDULED FOR:04/07/99 08:00 TO 11:00  
PUBLIC HEARING SENATE FINANCE

LTN1150  
BY:JNU  
FOR:ALL

LOCATION: ANCHORAGE

SB 52	TOM	MEADE	TEL ALASKA	TESTIFY
SB 52	JIMMY	JACKSON _____ANS ?S	GCI	TESTIFY

LOCATION: MATSU

SB 52	MR	GREG	BERBERICH	MTA	TESTIFY
-------	----	------	-----------	-----	---------

~~LOCATION: SEWARD~~

<del>SB 126</del>	<del>MR.</del>	<del>ARTHUR</del>	<del>WALTERS</del>	<del>TESTIFY</del>
-------------------	----------------	-------------------	--------------------	--------------------