

cannot guarantee that we will be able to do so.

Background

The proposed rule was published on September 8, 2023 (88 FR 62025), with a 60-day comment period closing on November 7, 2023. Since publication, the BLM has received requests for extension of the comment period on the proposed rule. The BLM previously extended the comment period to November 17, 2023 (88 FR 72985). The BLM has determined that it is appropriate to further extend the comment period for the docket until December 7, 2023, to allow for additional public comment.

Steven H. Feldgus,

Deputy Assistant Secretary, Land and Minerals Management.

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FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 54

[WC Docket Nos. 10-90, 23-328, 14-58, 09-197; WT Docket No. 10-208; FCC 23-87; FR ID 184414]

Connect America Fund, Alaska Connect Fund, ETC Annual Reports and Certifications, Telecommunications Carriers Eligible To Receive Universal Service Support, Universal Service Reform—Mobility Fund

AGENCY: Federal Communications Commission.

ACTION: Proposed rule.

SUMMARY: In this document, the Federal Communications Commission (FCC or Commission) adopted a Notice of Proposed Rulemaking (NPRM) that seeks comment on the next phase of high-cost fixed and mobile support in Alaska. The Commission initiates this rulemaking to seek comment on innovative solutions and unique accommodations necessary to continue supporting broadband service to Alaska.

DATES: Comments are due on or before January 16, 2024, and reply comments are due on or before February 15, 2024.

ADDRESSES: You may submit comments, identified by WC Docket Nos. 10-90, 23-328, 14-58, 09-197 or WT Docket No. 10-208 by any of the following methods:

- *Electronic Filers:* Comments may be filed electronically using the internet by accessing the ECFS: www.fcc.gov/ecfs.

- *Paper Filers:* Parties who choose to file by paper must file an original and one copy of each filing.

Filings can be sent by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

- Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9050 Junction Drive, Annapolis Junction, MD 20701.

- U.S. Postal Service first-class, Express, and Priority mail must be addressed to 45 L Street NE, Washington, DC 20554.

- Effective March 19, 2020, and until further notice, the Commission no longer accepts any hand or messenger delivered filings. This is a temporary measure taken to help protect the health and safety of individuals, and to mitigate the transmission of COVID-19. See FCC Announces Closure of FCC Headquarters Open Window and Change in Hand-Delivery Policy, Public Notice, 35 FCC Rcd 2788, 2788-89 (OS 2020).

People with Disabilities. To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an email to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at 202-418-0530 (voice), 202-418-0432 (tty).

FOR FURTHER INFORMATION CONTACT: For further information, please contact, Rebekah Douglas, Telecommunications Access Policy Division, Wireline Competition Bureau, at Rebekah.Douglas@fcc.gov or (202) 418-7931 or Matt Warner, Competition and Infrastructure Policy Division, Wireless Telecommunications Bureau, at Matthew.Warner@fcc.gov or (202) 418-2419.

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's NPRM in WC Docket Nos. 10-90, 23-328, 14-58, 09-197 and WT Docket No. 10-208; FCC 23-87, adopted on October 19, 2023 and released on October 20, 2023. The full text of this document is available at the following internet address: <https://docs.fcc.gov/public/attachments/FCC-23-87A1.pdf>.

Availability of Documents. Comments, reply comments, and *ex parte* submissions will be available for public inspection during regular business hours in the FCC Reference Center, Federal Communications Commission, 45 L Street NE, Washington, DC 20554. These

documents will also be available via ECFS. Documents will be available electronically in ASCII, Microsoft Word, and/or Adobe Acrobat.

Filing Requirements. Comments and reply comments exceeding ten pages must include a short and concise summary of the substantive arguments raised in the pleading. Comments and reply comments must also comply with § 1.49 and all other applicable sections of the Commission's rules. The Commission directs all interested parties to include the name of the filing party and the date of the filing on each page of their comments and reply comments. All parties are encouraged to utilize a table of contents, regardless of the length of their submission. The Commission also strongly encourages parties to follow the same order and organization set forth in the NPRM in order to facilitate the Commission's internal review process.

Ex Parte Rules—Permit-But-Disclose. These proceedings shall be treated as a "permit-but-disclose" proceeding in accordance with the Commission's *ex parte* rules. Persons making *ex parte* presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies).

In light of the Commission's trust relationship with Tribal Nations and its commitment to engage in government-to-government consultation with them, it finds the public interest requires a limited modification of the *ex parte* rules in these proceedings. Tribal Nations, like other interested parties, should file comments, reply comments, and *ex parte* presentations in the record to put facts and arguments before the Commission in a manner such that they may be relied upon in the decision-making process consistent with the requirements of the Administrative Procedure Act. However, at the option of the Tribe, *ex parte* presentations made during consultations by elected and appointed leaders and duly appointed representatives of federally recognized Indian Tribes and Alaska Native Villages to Commission decision makers shall be exempt from disclosure in permit-but-disclose proceedings and exempt from the prohibitions during the Sunshine Agenda period. To be clear, while the Commission recognizes consultation is critically important, it emphasizes that it will rely in its decision-making only on those presentations that are placed in the public record for these proceedings.

Persons making oral *ex parte* presentations are reminded that memoranda summarizing the presentation must (1) list all persons attending or otherwise participating in the meeting at which the *ex parte* presentation was made, and (2) summarize all data presented and arguments made during the presentation. If the presentation consisted in whole or in part of the presentation of data or arguments already reflected in the presenter's written comments, memoranda, or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during *ex parte* meetings are deemed to be written *ex parte* presentations and must be filed consistent with rule 1.1206(b). In proceedings governed by rule 1.49(f) or for which the Commission has made available a method of electronic filing, written *ex parte* presentations and memoranda summarizing oral *ex parte* presentations, and all attachments thereto, must be filed through the electronic comment filing system available for that proceeding, and must be filed in their native format (e.g., .doc, .xml, .ppt, searchable .pdf). Participants in this proceeding should familiarize themselves with the Commission's *ex parte* rules.

Synopsis

I. Notice of Proposed Rulemaking

1. In the NPRM, the Commission seeks comment on the next phase of high-cost fixed and mobile support in Alaska (the "Alaska Connect Fund" or "Alaska Connect"). The Commission asks how it can best support the rural and remote areas of Alaska once the support terms for the current incumbent Local Exchange Carriers (LECs) and competitive eligible telecommunications carriers (ETCs) have ended. The Commission has recognized that these areas of Alaska are some of the hardest to serve in the country, where many residents lack access to high-quality affordable broadband and the opportunity to keep up with the advances in technology that Americans living elsewhere enjoy. The Commission initiates this rulemaking to seek comment on innovative solutions and unique accommodations necessary to continue supporting broadband service to Alaska.

2. Currently, the Commission provides high-cost support to Alaska Plan carriers, Alaska Communications Systems (ACS) and Alternative Connect America Cost Model (A-CAM) carriers operating in Alaska to fund the deployment of voice and broadband networks. In the *2016 Alaska Plan Order*, 81 FR 69696, October 7, 2016, the Commission stated that it expected to conduct a rulemaking prior to the close of the 10-year support term to determine how support would be determined after the end of the 10-year support term for rate-of-return carrier participants in the Alaska Plan, and that the Commission would consider adjustments for marketplace changes and the realities of the current time. In the *ACS Order*, 81 FR 83706, November 22, 2016, the Commission stated that it expected to begin a rulemaking in year eight of the program to determine how support might be awarded for the ACS locations at the end of the ten-year period.

3. In this document, the Commission initiates a rulemaking to better understand all the changes, both in technology and in the broadband availability and funding landscape, that have occurred in Alaska since the inception of the Alaska Plan and *ACS Order* in 2016. The Commission undertakes a fresh look at the most efficient use of Universal Service Fund (USF) high-cost support in Alaska going forward not only to help connect unserved Alaskan communities, but also to support existing service and service funded through other Federal and state programs. The Commission relies on its experiences from the existing Alaska Plan and the record stemming from proposals in recent petitions to develop a framework on how best to structure and target Alaska Connect Fund support.

4. The Commission also concurrently adopted a Report and Order (Order) amending existing rules and requirements governing the management and administration of the USF high-cost program. The modifications adopted in the concurrently adopted Order streamline processes, align timelines, and refine certain rules to more precisely address specific situations experienced by carriers.

5. *Alaska Connect Fund for Fixed Carriers*. In the NPRM, the Commission seeks comment on a number of issues to ensure Alaskans continue to have access to reliable, affordable high-speed broadband as the Commission approaches the end of the Alaska Plan and the *ACS Order* obligations and support terms. The Commission

appreciates that Alaskan carriers still face unique circumstances and conditions that make it challenging both to deploy and maintain voice and broadband-capable networks in much of Alaska, including varied terrain, harsh climate, isolated populations, shortened construction season, and lack of access to infrastructure. However, the Commission also recognizes that much progress has been made to date, due to the several years of USF high-cost support as well as the advancements in technology and the availability of additional Federal funding programs for broadband services.

6. Carriers and commenters alike applaud the progress that has been made in extending fiber networks to rural and remote areas of Alaska, which has brought thousands of residents and small businesses online. However, while progress has been made, other commenters and carriers point out that much work remains in Alaska to reach unserved and underserved residents with the necessary infrastructure. Indeed, based on Broadband Data Collection (BDC) data as of December 2022, Alaska ranks 55th of 56 states and territories for availability coverage for fixed and mobile service. Thus, there continues to be a significant need for funding to support broadband service in Alaska. The Commission seeks comment on the solutions that will result in the greatest improvements in access. How can the Commission ensure the Alaska Connect Fund will result in Alaska residents having access to affordable service plans? How can the Commission ensure that USF high-cost support best complements other programs focused on improving affordability? Alaska receives support from all the USF programs, including Lifeline, E-Rate and Rural Healthcare Program. The Commission seeks comment on ways that the Alaska Connect Fund support can be utilized to work in cooperation with other USF disbursements to optimize the provision of advanced voice and broadband services.

7. As current funding programs for Alaskan carriers near their end dates, the Commission seeks guidance on how USF high-cost support can best serve the public interest in Alaska. In so doing, the Commission must take into account legislative requirements, improved mapping of broadband availability, and broadband support provided by other Federal agencies. The Commission seeks comment on the broader picture for universal service support in Alaska and urge commenters to address specifically the changes in technology, mapping, and other Federal

funding programs and how they might affect the future of the Alaska high-cost support program. In the following the Commission seeks comment on targeted issues related to the next phase of the Alaska high-cost support mechanism, including eligible areas and location, support amounts or mechanisms, budget, term of support, public interest obligations, support term, eligible carriers, accountability and oversight. The Commission also seeks comment on transitional and phase-down support, digital equity, broadband affordability, cybersecurity and supply chain risk management, and Tribal matters.

8. While significant progress has been made in Alaska since the original Alaska Plan was established, many areas in the state could still be considered unserved or underserved; and now, the Commission has the required data and the resulting maps to efficiently inform its decision making going forward. The Commission can determine statewide, using the National Broadband Map, that about 21% of broadband-serviceable units lack at least 25/3 Mbps and about 27% of broadband-serviceable units lack at least 100/20 Mbps fixed terrestrial service. The Commission can granularly see exactly where those broadband-serviceable units are located. Furthermore, the National Broadband Map allows the Commission to conveniently assess coverage based on technology type, which may be valuable to tackle the distinct challenges in Alaska. In recognition of the unique challenges of Alaska, in the following, the Commission seeks comment on how to define unserved and, if needed, underserved for the purposes of this next phase for support in Alaska.

9. The Commission seeks comment on how to determine areas and services that would be eligible for the Alaska Connect Fund. Particularly in light of the evolving competitive landscape, should the Alaska Connect Fund include the same or different eligible areas as the Alaska Plan? How does the National Broadband Map data generally inform the Commission regarding where to focus Alaska Connect Fund support? The Broadband DATA Act requires that the Commission use the BDC and the Broadband Serviceable Location Fabric (Fabric) “to determine the areas in which terrestrial fixed, fixed wireless, mobile, and satellite broadband internet access service is and is not available, . . . when making any new award of funding with respect to the deployment of broadband internet access intended for use by residential and mobile customers.” This new data allows the Commission to better assess where fixed broadband service is—and is not—

available in Alaska. Consistent with the Broadband DATA Act, this data will inform the Commission’s determination of the eligible areas for the Alaska Connect Fund.

10. Additionally, the Broadband Interagency Coordination Agreement requires the FCC, United States Department of Agriculture, and the National Telecommunications and Information Administration (NTIA) to “consider basing the distribution of funds for broadband deployment . . . on standardized data regarding broadband coverage,” and the agencies meet regularly to ensure the most efficient allocation of Federal broadband funding. As noted in this document, the state was recently allocated more than \$1 billion in Broadband Equity Access and Deployment (BEAD) funding and has begun planning for its use. The State of Alaska Broadband Office (ABO) was established to strategically consider how best to use this Federal funding to connect residents of Alaska with advanced technology. The ABO has published on its website maps and data related to the estimated costs to serve the remaining unserved and underserved areas of Alaska. Additionally, several projects have already been established and are underway to build out broadband to Tribal and other areas of the state.

11. The Commission seeks comment on how the funding received by and the decisions of the State of Alaska should inform its determination of the eligible areas for the Alaska Connect Fund. To the extent there are discrepancies between the National Broadband Map and ABO maps, the Commission’s robust challenge process for the National Broadband map can be used to address these discrepancies, and the Commission encourages the ABO and other state, local governments and communities in Alaska to use that existing process.

12. Broadband serviceable locations on the National Broadband Map can generally be broken down into four categories: (1) those served by the ILEC only; (2) those served by both the ILEC and an unsubsidized provider; (3) those served by an unsubsidized provider only; and (4) those that are unserved. The Commission seeks comment on how the Alaska Connect Fund should treat eligibility for each of these types of locations? How should the Commission define unserved? The Commission seeks comment on whether to establish a definition for underserved? Should the Commission define those terms consistent with Enhanced A-CAM (E-ACAM), or the BEAD program, or should it adopt another definition? Does

the Alaska Broadband Office or other broadband support programs in Alaska use different definitions, and if so, what are the differences?

13. Additionally, one of the ways in which Alaska is unique is that while villages or communities may be far from urban areas, individuals or individual locations within those villages or communities may be relatively close together. Accordingly, the Commission seeks comment on determining eligibility at a village or community level instead of by individual location. How should the Commission define village and community for this purpose? Would this approach better help address lack of service in unserved areas? If the Commission adopts such an approach, how should it address geographically isolated individual locations? What is the most appropriate metric for identifying eligible locations and how should the Commission define eligible locations for this purpose? Is defining eligibility based on village or community level instead of location consistent with the BDC?

14. *Middle Mile*. Carriers have argued to the Commission that both lack of availability and the cost of middle mile is what prevents deployment of high-quality, affordable services to the most rural and remote Alaskan villages and populations. Satellite networks made available after the start of the Alaska Plan are providing higher capacity and lower latency middle mile transport. What is the typical cost, or range of costs, for middle mile transport in Alaska today? USF high-cost Alaska Plan support, like model-based support, may be used anywhere in the network, including middle-mile, as long as carriers are improving service. In the *2016 Alaska Plan Order*, the Commission required recipients to report data on their use of middle-mile facilities. The Commission seeks comment on how this data should inform the distribution of support in the Alaska Connect Fund.

15. The Commission seeks comment on whether and how it might provide direct support for middle mile facilities and transport services under the Alaska Connect Fund, particularly in light of other Federal programs directed at supporting middle mile. What types of middle-mile expenses should be eligible for support? Should the Alaska Connect Fund support construction of new middle mile facilities, the cost of leased middle mile facilities, or both? Should support for middle-mile facilities or services be limited to a certain percentage of overall support received? Under Alaska Plan obligations, carriers are required to report to the Commission

on whether new middle mile transport is commercially available in their service area and increase obligations accordingly. Are there middle-mile services that are ubiquitous, reliable and affordable such that the Commission should condition support on their use prior to authorizing support? Does funding middle mile directly result in more affordable retail broadband prices? Should the Commission allow support for redundant networks to enhance network resiliency? The Alaska Remote Carrier Coalition (ARCC) filed a petition arguing for the adoption of its Alaska Middle Mile Expense Support (AMMES) calculator to determine funding support amounts. The method, as proposed, would have the Commission review carriers' accounting, which is more akin to a cost-based mechanism. The Commission seeks comment on using the AMMES plan calculator for determining middle mile funding support amounts or other methods that align with modernizing support.

16. *Direct-to-Home Satellite Services.* The Commission seeks comment on whether the Alaska Connect Fund should provide support to carriers that provide direct-to-home satellite service. Parties have commented that the remote and insular nature of some areas within Alaska make serving all areas of Alaska difficult with terrestrial-only solutions. Indeed, customers are subscribing to direct-to-home satellite service available after the start of the Alaska Plan. Although carriers are permitted to use satellite technology in their networks, the Alaska Plan does not provide support for carriers that provide direct-to-home satellite service. These satellite providers argue their service is no longer "expensive" or "performance-limiting," and just as reliable, if not more reliable than traditional fiber-based networks while also being ubiquitous.

17. How should new satellite services factor into the Commission's subsidy determinations? In certain communities, will satellite service be a necessary component to providing internet for the foreseeable future? Should the Commission focus on limiting subsidies for satellite services to certain areas of Alaska, e.g., "extremely remote areas" or "areas with ultra-high costs"? How would the Commission define those terms? What are the physical barriers to receiving satellite service or reliable service in Alaska? Are consumer services using satellite affordable for Alaskans? How do the costs of satellite services compare to services that use terrestrial solutions? Do direct-to-home satellite providers offer voice service? The Commission seeks comment on the

need to provide support for voice-only providers in communities, even if there is an unsubsidized internet provider.

18. The BEAD program requires states to establish an "Extremely High Cost Per Location Threshold" and allows states to fund alternative technologies, including technologies that do not meet the BEAD definition of "Reliable Broadband Service but otherwise satisfy the Program's technical requirements," in order to not exceed that threshold. The Commission seeks comment on whether it should take into account Alaska's Extremely High Cost Per Location Threshold determination in assessing an area's eligibility for the Alaska Connect Fund. How can the Commission use Alaska's determination most appropriately in its process?

19. Next, the Commission seeks comment on carriers eligible to participate in the Alaska Connect Fund support program. The Alaska Plan includes 13 rate-of-return carriers, while ACS, as a price cap carrier, receives frozen support. The high-cost program also supports a small number of A-CAM carriers operating in Alaska. Carriers and commenters have argued that the Commission should fold all high-cost Alaskan carriers into one support mechanism going forward. The Alaska Telephone Association (ATA) suggests that the Commission allow ACS and A-CAM carriers an opportunity to join that mechanism. ATA and ARCC advocate that high-cost support for fixed services in Alaska continue to be limited to ILECs. However, the record supports, and the Commission agrees, that it should explore whether non-ILECs should be eligible. While the ILECs do continue to serve the communities, others may be in a position to efficiently and effectively serve those same communities. Further, the Commission seeks comment on whether in some areas the ILEC is no longer the predominant broadband provider, which would make ILEC-only support inconsistent with broad service availability for consumers. The Commission seeks comment on whether any broadband carrier serving Alaska (or even those not currently serving Alaska) should be eligible to participate in the Alaska Connect Fund. Should there be existing minimum requirements for eligibility in the Alaska Connect Fund? Should both terrestrial and non-terrestrial providers be allowed to participate in the Alaska Connect Fund? Should the Commission allow partnerships or consortia to participate? Should Alaska A-CAM carriers that did not elect E-ACAM support be able to participate in the Alaska Connect Fund? Should carriers that have not met public

interest obligations under the original Alaska Plan be precluded from participating in the Alaska Connect Fund or subject to enhanced compliance requirements?

20. *Eligible Telecommunications Carrier Status.* The Communications Act of 1934 (the Act) requires that all recipients of USF high-cost support obtain ETC status. It limits the Commission's authority to designate ETCs to situations when a carrier demonstrates that a state commission lacks jurisdiction over that carrier. In Alaska, the Regulatory Commission of Alaska is the governing body that adjudicates that process and designates carriers as ETCs in their service territories. As such, the Commission has limited authority to designate ETC status to a carrier operating in Alaska. The Commission seeks comment on the barriers to obtaining ETC status in Alaska. Are there specific barriers for satellite technology in obtaining ETC status in Alaska? Should ILECs be eligible to receive support outside of their current ETC areas? If the Commission does so, what considerations does it need to make regarding the reliability of voice services in those areas?

21. The Commission seeks comment on how to determine the Alaska Connect Fund support amounts to best support service in Alaska. The Commission has used various mechanisms for determining support amounts in the past, including frozen support, adjusted frozen support, model-based support, and competitive processes. The Alaska Plan and ACS support are based on frozen support—meaning that current support amounts, which were originally determined through a cost-based mechanism, are the same as they were on a specific date. However, as the Commission has reformed the high-cost program, it has aimed to base support amounts on a forward-looking cost model or a competitive process. Additionally, Congress required states, including Alaska, to conduct competitive processes to distribute BEAD funding. The Commission seeks comment on which of these mechanisms makes the most sense for the Alaska Connect Fund. Should the type of support mechanism be informed by whether an area is served by the ILEC only, ILEC and unsubsidized competitor, only unsubsidized competitor or is unserved? If so, which would be the most efficient mechanism for reaching the Commission's universal service goals through the Alaska Connect Fund? For example, if there are one or more unsubsidized competitors in an area,

does that mean a competitive process would be best? Should the Commission endeavor to award funding in a similar or different way than the BEAD program? In the recent *Enhanced A-CAM Order*, 88 FR 55918, August 17, 2023, the Commission sought comment on issues related to providing support for served locations. The Commission incorporates those questions here and seeks comment on their specific applicability to the Alaska Connect Fund.

22. *Alaska Cost Model*. The Commission has recognized the limitations of the Connect America Cost Model (CAM) for Alaska, which led to it establishing the Alaska Plan. The Commission seeks comment on whether it should develop a cost model to help determine support amounts for the Alaska Connect Fund carriers. Would this be an efficient way to determine support amounts going forward? What inputs are required for a cost model? The ABO introduced a model that evaluates, at a high level, the math associated with the cost of operating in remote communities in Alaska, but it acknowledges that it does not claim the numbers in the model “match any real-world applications.” The ABO also introduced a technology neutral cost model that estimates the capital costs of new broadband projects in Alaska, along with supporting maps identifying unserved and underserved communities. The Commission seeks comment on these models. Should the Commission consider using or leveraging these models for determining support amounts? Are there other already developed cost models that the Commission could utilize to establish support amounts?

23. *AMMES Cost Calculator*. The ARCC petitioned the Commission to adopt its AMMES plan directed at providing cost-based support to carriers with “ultra-high” middle-mile costs. The plan takes into account both the capital and the operational middle-mile expenses associated with providing high-speed broadband service, using its Alaska Middle Mile Calculator Template (AMMCAT) to identify the locations that need support. The Commission seeks comment on the accuracy and effectiveness of this tool. Does the Commission have broader applications in Alaska?

24. *Alaska Competitive Process*. The Commission seeks comment on whether to adopt a competitive process to award Alaska Connect Fund support either using a competitive process similar to the process in Puerto Rico and the US Virgin Islands under the Bringing Puerto Rico Together and the Connect USVI

programs; or using an auction mechanism similar to the Rural Digital Opportunity Fund (RDOF). Is there enough competition in Alaska to make a competitive process meaningful? Is an Alaska-specific cost model a necessary safeguard for a competitive process? The Commission again notes that Congress required a competitive process for BEAD funding awardees, including Alaska. The Commission seeks comment on whether there are any lessons that can be learned so far from the development of the BEAD process that it should consider in developing the Alaska Connect Fund.

25. *Frozen Support*. The ATA Petition suggests the Commission maintain current frozen support amounts for each carrier (adjusted for inflation). The Commission seeks comment on whether or under what circumstances this is the appropriate way to allocate support for recipients of the Alaska Connect Fund. How would the Commission determine support amounts for ACS and any other new participants in the program? Should the Commission take the same overall support amount (adjusted for inflation), but reallocate those amounts among the current recipients, and if so how?

26. The Commission seeks comment on an appropriate budget for the Alaska Connect Fund. In considering the budget for the Alaska Connect Fund, the Commission seeks to balance the need to provide support that is sufficient to achieve its goals, while meeting the Commission’s obligation not to unnecessarily burden American consumers. As the Commission has previously recognized, the cost of universal service is ultimately borne by American consumers and businesses. Support that is greater than necessary therefore violates the Commission’s obligation to be a good steward of the USF. In this NPRM, the Commission seeks comment on providing two types of funding: (1) support for areas that still require buildout; and (2) ongoing support for areas already built out. The Commission seeks comment on the budget needed for each. The *2016 Alaska Plan Order* provided for \$1.5 billion in frozen high-cost support over ten years. The *ACS Order* provided for \$200 million in frozen high-cost support over ten years. The ATA Petition suggests, even with potentially more participants, that the budget is acceptable if adjusted for inflation, and the ARCC Petition proposed \$25 million for the first four years of its plan to support middle-mile costs only. How should deployment progress and expenditures to date inform the budget for the Alaska Connect Fund? How

should allowing new participants impact the budget?

27. Additionally, the State of Alaska and the ABO are currently engaged in the planning phase for BEAD funding, and there are several other broadband projects already underway. The BEAD program overall has a goal of affordable high-speed internet for all residents in all 50 states, DC, and the territories by 2030, and Alaska has been allocated more than \$1 billion in BEAD funding. The Commission seeks comment on how Alaska’s BEAD and other government funding should affect the budget for the Alaska Connect Fund. In the *Future of USF Report*, the Commission noted that preventing duplicative support was its primary goal in interagency coordination regarding broadband funding, particularly BEAD funding. Accordingly, the Commission seeks comment on determining a budget that meets its public interest obligations, complements BEAD and other sources of broadband funding, and avoids duplicate support.

28. The ATA Petition suggests that the existing Alaska Plan budget be adjusted for inflation and adjusted annually going forward. The Commission has adjusted for inflation in various situations in the past. For example, in 2018, the Wireline Competition Bureau (Bureau) set the budget and an annual increase for inflation for legacy rate-of-return carriers receiving CAF (Connect America Fund) Broadband Loop Support. The Commission used an inflation adjustment factor based on the United States Department of Commerce’s Gross Domestic Product-Chained Price Index to determine the amount of adjustment. The Commission has also used other tools for indexing for inflation, for example, the Consumer Price Index from the Department of Labor, Bureau of Labor Statistics. Recently, however, the Commission declined to adopt an annual inflation adjustment to E-ACAM support amounts. The Commission seeks comment on whether the budget for the Alaska Connect Fund should be adjusted for inflation, and if so, by how much and how often. What is the appropriate method for adjusting for inflation? Do all carriers experience the same pressures of inflation? If the Alaska Connect Fund supports different carriers and services than the Alaska Plan, is an initial inflation adjustment necessary or already built in to the newly established budget? ATA suggests that the budget should be increased annually. If the Commission decides to adjust the budget going forward based on inflation, is annually the right interval?

29. The Commission seeks comment on the public interest obligations for the Alaska Connect Fund—in particular, speed, latency, data usage, and reasonably comparable rates. Should those obligations differ based on the whether the location is: (1) served by the ILEC only; (2) served by both the ILEC and an unsubsidized provider; (3) served by an unsubsidized provider only; or (4) unserved? Does the Commission need to establish obligations for underserved locations? In addition, how should it account for the type of middle mile being used to serve the location? If the Alaska Connect Fund provides support for middle mile infrastructure, how does the Commission safeguard against opportunistic pricing?

30. *Performance Plan.* In the Alaska Plan, each carrier was required to submit a performance plan that was reviewed and approved by the Bureau. The plans were, and still are, subject to modification based on changed circumstances. The Commission seeks comment on whether it should continue to use this approach, particularly in light of the Infrastructure Investment and Jobs Acts (Infrastructure Act) use of specific speed, latency and other minimums. If the Commission conducts a competitive process based on ability to meet certain requirements, is a performance plan still necessary?

31. *Speed.* The Commission prioritized 10/1 Mbps in both the *2016 Alaska Plan Order* and the *ACS Order*, adopting 10/1 Mbps as the minimum broadband speed requirement, but it authorized approval of some *Alaska Plan* carrier performance plans that offered faster or slower speeds in certain instances. Indeed, some Alaska Plan carriers have committed to speeds higher than 10/1 Mbps, including 100/5 Mbps and 1GB/100Mbps. Similarly, carriers receiving A–CAM support were obligated to provide service at speeds of 25/3 Mbps, 10/1 Mbps or $\frac{4}{1}$ Mbps depending on the housing unit density of the eligible areas in the offer. Recently, the Commission adopted a speed requirement of 100/20 Mbps for E–ACAM recipients.

32. A recent interested party explained that requiring 10/1 Mbps has been detrimental in areas that could benefit from support to improve their networks but still may not be able to reach 10/1 Mbps. Others suggest the minimum speed requirements should be higher to encourage more advanced services. The Infrastructure Act requires that its programs establish a minimum speed of 100/20 Mbps. The Commission seeks comment on what the appropriate minimum broadband speed requirement

should be for the Alaska Connect Fund. What factors should the Commission consider to determine a minimum broadband speed requirement? Should the Commission allow exceptions to the minimum speed requirement, and if so, under what conditions? In light of new technologies, such as low Earth orbit satellites, are exceptions to the speed and latency requirements necessary?

33. *Latency.* The Alaska Plan, ACS, and A–CAM recipients are all currently subject to requirements to provide and certify the provision of service with roundtrip network latency of 100 milliseconds or less, subject to middle mile limitations. Under Commission rules, this requires recipients to certify to offering “voice and broadband service with latency suitable for real-time applications” The Commission seeks comment on whether this requirement remains appropriate for the Alaska Connect Fund or whether modifications may be warranted.

34. *Data Usage.* Participants in the Alaska Plan are required to provide a usage allowance that evolves over time to remain reasonably comparable to usage by subscribers in urban areas, similar to the approach adopted for price cap carriers and other rate-of-return carriers. ACS was allowed some flexibility to “offer a usage allowance consistent with the usage level of 80 percent of its own broadband subscribers, including those subscribers that live outside of Phase II-funded areas,” although it does not offer plans with usage limits. The Commission seeks comment on the minimum data allowance requirement and whether it needs to tailor it in light of changes to the network due to availability in access to middle-mile.

35. *Satellite Backhaul Exception.* The Commission exempts from the speed, latency, and data usage standards (public interest obligations) those areas in which carriers rely exclusively on the use of satellite backhaul to deliver service. The Commission made this decision based on reports from the Regulatory Commission of Alaska that there are areas of Alaska that can only be served by satellite, and the assertions that satellite backhaul is limited in its functionality compared with terrestrial backhaul. Indeed, carriers seeking the exemption must certify that they lack the ability to obtain terrestrial backhaul and that they are unable to satisfy the broadband public interest obligations due to the limited functionality of satellite backhaul. More recently, satellite companies have insisted that their services are fast, reliable, and affordable. The Commission recognizes that there are remote areas of Alaska

where satellite service may be the only solution for voice and broadband, and it seeks information and data on satellite service speed and reliability. Should the Commission adjust the benchmarks to account for advancements and availability in satellite backhaul technology? Alternatively, should the Commission establish benchmarks for carriers serving locations with satellite and microwave middle-mile facilities in the Alaska Connect Fund?

36. *Affordability Requirement.* The Commission seeks comment on requiring the offering of a low-cost plan as a condition of receiving Alaska Connect Fund support. The Commission proposes to condition Alaska Connect Fund support on participation in the Affordable Connectivity Program (ACP) or substantially similar successor program. The Commission recently adopted a similar requirement for *Enhanced A–CAM Order* recipients, and affordability remains a considerable barrier for many Alaskan residents in gaining and broadband access. The ACP plays an important role in helping low-income consumers obtain affordable internet services. There are currently a number of carriers participating in the ACP that serve Alaska. Would the same requirement be appropriate for all or some of the recipients of the Alaska Connect Fund? Additionally, the Commission notes that beyond it, the Infrastructure Act requires subgrantees of the BEAD program to provide at least one “low-cost broadband service option.”

37. *Cybersecurity and Supply Chain Risk Requirements.* The Commission proposes to condition the receipt of Alaska Connect Fund support on the creation, implementation and maintenance of operational cybersecurity and supply chain risk management plans. Specifically, the Commission proposes that Alaska Connect Fund support recipients be required to implement a cybersecurity risk management plan that reflects the latest version of the National Institutes of Standards and Technology (NIST) Framework for Improving Critical Infrastructure Cybersecurity, and that reflects an established set of cybersecurity best practices, such as the standards and controls set forth in the Cybersecurity & Infrastructure Security Agency (CISA) Cybersecurity Cross-sector Performance Goals and Objectives or the Center for internet Security Critical Security (CIS) Controls. The Commission also proposes that carriers be required to implement supply chain risk management plans that incorporate the key practices discussed in NISTIR 8276, Key Practices in Cyber Supply

Chain Risk Management Observations from Industry, and related supply chain risk management guidance from NIST 800–161. Would it be appropriate for Alaska Connect Fund recipients to submit to USAC their updated cybersecurity and supply chain risk management plans within 30 days of making a substantive modification thereto, as E–ACAM recipients must? In the *Enhanced A–CAM Order*, the Commission adopted these requirements for recipients of E–ACAM support, making conforming plans due by the start of the support term and imposing a reduction in monthly support of 25% for non-compliance. The Commission seeks comment on adopting the same requirements for Alaska Connect Fund recipients. Do Alaska carriers have such plans already created and implemented? Is the same non-compliance withholding of 25% appropriate for Alaska Connect Fund recipients? What are the differences (if any) between Alaska Connect Fund recipients and E–ACAM recipients that might warrant different approaches to ensuring cybersecurity? Are there other security standards or flexibilities the Commission should consider for Alaska Connect Fund recipients?

38. *Reasonably Comparable Rates—Broadband and Voice.* The Commission proposes that carriers receiving Alaska Connect Fund support, like all other recipients of USF high-cost program support, will be required provide voice and broadband service at rates that are reasonably comparable to those offered in urban areas. For broadband, an ETC has two options for demonstrating that its rates comply with this statutory requirement: certifying compliance with reasonable comparability benchmarks or certifying that it offers the same or lower rates in rural areas as it does in urban areas. Due to the unique challenges that remain in Alaska, the Commission proposes that carriers receiving Alaska Connect Fund support will still be subject to the Alaska-specific reasonable comparability broadband benchmarks established by the Bureau. The Commission seeks comment on whether it should revise how the Alaska-specific comparability benchmarks are calculated. How will support amounts affect carriers' ability to meet the Commission's broadband rate benchmarks?

39. For voice service, ETCs are required to make an annual certification that the rates for their voice service are in compliance with the same reasonable comparability benchmark as required for the other programs. The current benchmark for voice services is \$59.62 nationwide. While the Commission has

seen no evidence that carriers are unable to comply with the voice benchmarks, it seeks comment on whether its voice benchmark calculations are still appropriate for Alaska? Does the Commission need to create an Alaska-specific voice benchmark?

40. Earlier this year, the Bureau sought comment on modifying the calculation method for determining broadband benchmarks and on other changes related to the benchmarks. Are these inquiries also applicable to the Commission's considerations for the Alaska-specific benchmarks? In the *2023 Broadband Benchmarks Public Notice*, the Bureau stated that “[i]n addition to an increasing range of speeds, in the last few years the Bureau has also noted that Survey data show that some variables, such as upload speed and capacity allowances, have become less relevant to setting benchmark rates. For example, in some cases, the Commission has found that inclusion of upload speed in rate calculations can result in anomalies where the benchmark rate rises as upload speed falls, likely because download speed is more significant to price levels. In addition, in some instances the Commission has found that capacity allowances have little to no effect on the benchmark rate.” Does Alaska experience the same anomalies and impact related to upload speed and capacity allowances? Is there similar confusion in Alaska regarding discounted and non-discounted pricing? Should the Commission consider similar definitional updates related to census data? The Commission seeks comment on whether there are any challenges for current Alaska A–CAM carriers in meeting the Alaska-specific benchmark should they be allowed to become Alaska Connect Fund recipients.

41. *Deployment Milestones.* The Commission seeks comment on what the deployment milestones should be for the Alaska Connect Fund. In the Alaska Plan, carriers were required to meet only two specific milestones; one by the end of the fifth year of support year and then by the end of the final year and report their progress annually. This was done to provide flexibility for planning based on the shortened construction season and the carrier-submitted performance plans identifying the location obligation. How does the term of support impact the interval of required milestones, *e.g.* should an intermediate milestone be required if the Commission adopts a support term of something less than ten years, and should more intermediate

milestones be set if it adopts a support term of more than ten years? Are there other factors to consider in establishing deployment milestones, both intermediate and final?

42. The Commission seeks comment on a support term for the Alaska Connect Fund. The Alaska Plan and ACS CAF II commitments, along with several other high-cost programs, have previously established ten-year support terms that require mid-point evaluations and milestone achievements. The ATA Petition asks the Commission to cut the original Alaska Plan program short and start the Alaska Connect Fund in 2024 rather than at the end of 2026, when the Alaska Plan term is over. It also asks for the Alaska Connect Fund to run through 2034, and for that term to extend at one-year intervals thereafter absent some other decision by the Commission. The AMMES plan proposes an eight-year term of support, but support amounts are reduced after year four. Given the life expectancy of current technology, the rate of technological advancement, and the changing landscape of competition in Alaska, the Commission seeks comment on the appropriate support term for the Alaska Connect Fund. Does addressing high-cost support in Alaska more frequently allow the Commission to more precisely address competition and changes in the marketplace? Would a shorter support term improve planning and deployment? What impact does the shortened construction season have in considering a shorter term of support? Alternatively, would a longer support term allow Alaska providers to better plan for network deployments and upgrades? What impact do supply chain and labor shortage challenges have in considering the length of the term of support?

43. Given that Alaska, like other states, is still in the planning phase for BEAD funding, the Commission seeks comment on when it should begin the Alaska Connect Fund support program. Would it be more prudent for us to wait to move forward with the Alaska Connect Fund until the conclusion of BEAD planning and the planning for other projects are complete, in order to better coordinate the Alaska Connect Fund with other Federal programs? Would waiting impact the ability of Alaska carriers to pursue BEAD funding and the resources necessary to support BEAD-funded projects? If it does, how so? The Commission seeks comment on measures to avoid duplicative support if the Commission does not wait to initiate the Alaska Connect Fund. In what ways can Alaska Connect Fund support complement BEAD funding?

44. The Commission relies on mandatory deployment, reporting, and testing requirements and oversight rules to reduce waste, fraud, and abuse of program support and to ensure that carriers are meeting their commitments to provide high-quality broadband services. As the Commission did with the Alaska Plan, it proposes to establish reporting, performance testing, document retention, and oversight requirements for the Alaska Connect Fund recipients. The Commission proposes to maintain the existing framework for potential reductions in support for failure to meet any of the Alaska Connect Fund obligations. Furthermore, as for all ETCs, the Commission proposes that all Alaska Connect Fund recipients will be subject to compliance audits and other investigations and enforcement measures as necessary. The Commission seeks comment on these proposals.

45. The Commission seeks comment on any reporting, performance testing, or accountability issues in the Alaska Plan that need to be refined for the Alaska Connect Fund. Should the Alaska Connect Fund require new accountability or oversight procedures, and if so, what should those look like? Should the Commission require monitoring and reassessment in the Alaska Connect Fund as it has in the Tribal Nations and Tribal Lands in Alaska.

46. The Commission is committed to working with Tribes and Tribal leaders. The Commission seeks comment generally on considerations necessary for including Tribal governments, Tribal Nations, Tribal lands, and residents of Tribal Lands in the Alaska Connect Fund. What progress has been made with NTIA's Tribal Broadband Connectivity Program and other Tribal broadband program support received in Alaska? How has that changed who is providing service to the communities? Are the services being provided on Tribal Lands affordable for residents? Is there any need to revisit the definition of Tribal lands in Alaska—are there Tribal Nations, Tribal lands or Tribal entities in Alaska that do not fit into the current definition but should be included for the purpose of the Alaska Connect Fund?

47. The Commission recently discussed with Tribal Nations in Alaska and their representatives issues related to obtaining ETC status for purposes of receiving high-cost and Alaska Plan program support. The Commission allows carriers serving Tribal lands to seek ETC status directly from the Commission in certain situations. The Commission seeks comment on whether

there are still barriers for Tribal Nations in Alaska in obtaining ETC status. How can the Commission streamline the ETC process or other processes to increase Tribal Nation access to Alaska Connect Fund support?

48. Recognizing that engagement between Tribal Nations and service providers "is vitally important to the successful deployment and provision of service," the Commission implemented an annual obligation that requires carriers to demonstrate that they have meaningfully engaged Tribal governments in their supported areas. The Commission seeks comment on the experience of Tribal Nations and Tribal governments and providers in Alaska with the Commission's Tribal engagement requirement. Has this obligation led to the successful deployment and provision of service on Tribal lands in Alaska? The Commission invites comment on whether the its Tribal engagement requirements in Alaska need to be strengthened. How can the Commission help ensure that service providers meet their existing Tribal engagement requirement in Alaska? How can the Commission better encourage the participation of Tribal governments in decisions regarding deployment of service on their lands. Are there unique considerations regarding engagement with Tribal governments in Alaska that the Commission should take into account? The Commission seeks comment on the potential consequences of failing to meet this requirement and whether those outcomes have been sufficient to ensure that service providers meet the Tribal engagement requirement in Alaska? Should the receipt of Alaska Connect Fund support be conditioned on obtaining Tribal consent to provide broadband service for carriers serving Tribal Nations and Tribal Lands in Alaska? Or should the Commission adopt a Tribal consent framework similar to the BEAD program? Is there another framework that could better benefit the Tribal Nations, Tribal Lands, and Tribal residents of Alaska?

49. As previously discussed, carriers are receiving high-cost support for Alaska through several different mechanisms, and the term for each is set to conclude in a different year: Alaska Plan support and A-CAM I will end in 2026, ACS CAF II frozen support will end at the end of December 2025. Historically, where a carrier's support term has ended before the next phase of support begins, the Commission has approved an extension of support to bridge this gap. For example, recently the Commission approved transitional support for mobile wireless service in

Puerto Rico and USVI. The support term begins the month after a carrier's final program disbursement and is there to bridge the gap until the Commission adopts a long-term support mechanism. If the Alaska Connect Fund begins in 2027, ACS will have at least a year of gap between its last disbursement and the initiation of the Alaska Connect Fund disbursements. If Alaska Connect Fund support has not been established by 2027, there will be a gap in disbursements for Alaska Plan participants as well. The Commission seeks comment on whether and how it continues to provide support so that carriers do not experience a gap in support before the start of the Alaska Connect Fund. How does Alaska's shortened construction season impact the timing and length of providing transitional support?

50. In addition, the Commission has phased down support for providers when changes in the program result in changes in support. For example, the Commission established a phase down period for ILEC fixed support carriers receiving high-cost support in Puerto Rico following the competitive process. The Commission seeks comment on phasing down support for the ILEC in any areas in which it is not authorized to receive Alaska Connect Fund support.

51. *Alaska Connect Fund for Mobile Wireless Carriers*. The mobile wireless portion of the Alaska Plan—like the fixed portion—is scheduled to end on December 31, 2026. While progress has been made toward mobile deployment to remote areas in Alaska in the first half of the Alaska Plan, the Commission notes that much still needs to be done to ensure that Alaskans in remote areas have access to reliable, advanced mobile service, as more than 70,000 Alaskans in eligible Alaska Plan areas are still without at least 4G LTE at 5/1 Mbps. In the document, the Commission seeks comment on what the Alaska Connect Fund should look like for mobile service providers. As the Commission considers how to address the realities of mobile deployment in Alaska, as well as the changes that have occurred since the original Alaska Plan was adopted, the Commission draws on its experience from the existing Alaska Plan for mobile support, as well as the submissions and comments of stakeholders.

52. The Commission has previously recognized that Alaska is unique and that mobility support mechanisms in Alaska need to be flexible enough to account for Alaska's "remoteness, lack of roads, challenges and costs associated with transporting fuel, lack of scalability per community, satellite and backhaul

availability, extreme weather conditions, challenging topography, and short construction season.” The mobile portion of the Alaska Plan aims to provide Alaskans in remote areas with advanced mobile communications services at rates that are reasonably comparable to those in urban areas. Based on data from FCC Form 477 filings, the 2016 Alaska Plan increased the number of Alaskans served with 4G LTE from 33,133 to 85,865, out of 149,610 Alaskans in eligible areas. According to data from the BDC, 79,340 Alaskans in eligible areas were served by 5/1 Mbps 4G LTE as of December 31, 2022. The Commission seeks comment on what actions it should take to ensure that Alaskans in remote areas, particularly unserved and underserved areas, can access and continue to receive reliable and secure mobile service at reasonable prices.

53. The Commission seeks comment on whether the Alaska Plan’s frozen support continues to be the right mechanism to address concerns with mobile service in Alaska going forward, or whether other types of programs or subsidies would be better suited to address concerns. The Commission notes that several mobile providers have exhibited varying levels of noncompliance with their interim commitments in the Alaska Plan. Examples of noncompliance include insufficient buildout to meet commitments to Alaskans; inaccurate data filings; failure to demonstrate rates and services that are reasonably comparable with Anchorage; and failure to update performance plans as required. In light of this, how can the Commission better ensure that high-cost support in Alaska is helping to bring advanced mobile communications services to remote areas in the state? The Commission seeks comment on all matters related to the next version of the Alaska Plan, particularly the ways in which the original Alaska Plan could be improved upon to deliver more reliable and secure mobile service, as well as how the Alaska Connect Fund should account for other support mechanisms or funding programs in Alaska.

54. The Commission seeks comment on how to determine eligible areas and services for the mobile portion of the Alaska Connect Fund. An area had to satisfy two criteria to be considered an eligible area for mobile services under the *2016 Alaska Plan Order*. First, it had to be a “remote area[] in Alaska,” which the Commission defined as all of Alaska except most of Anchorage, Juneau, Fairbanks, Chugiak, and Eagle River. Second, eligible areas “include[d] only those census blocks where, as of

December 31, 2014, less than 85% of the population was covered by the 4G LTE service of providers that [were] either currently unsubsidized by the high-cost mechanism or subject to a phase down of all current mobile support in the relevant cell block.”

55. The Commission seeks comment on how to define eligible areas for the next version of the plan. What, if any, changes should the Commission make to the eligible areas criteria that the Commission used in the *2016 Alaska Plan Order*? Under the BDC, the Commission displays mobile coverage availability data based on both stationary/pedestrian coverage and in-vehicle coverage. Which coverage data should the Commission use to determine the eligible areas for the Alaska Connect Fund?

56. As an initial matter for determining eligible areas, the Commission seeks comment on how to define a base geographic unit for purposes of determining eligible areas. Instead of census blocks, which were used in the Alaska Plan, the Commission proposes to use the H3 hexagonal geospatial indexing system (H3 system), consistent with the BDC, to identify the areas eligible for high-cost support similar to the approach it is considering for the 5G Fund? The Wireless Telecommunications Bureau (WTB), Office of Economics and Analytics (OEA), and Office of Engineering and Technology adopted the H3 system to identify geographic areas where a challenge to a provider’s mobile BDC availability data can be created based on the locations of on-the-ground challenger speed tests, and the system has been integrated into the BDC verification process. The H3 system is useful because it provides a canonical way to reference, index, and compare wireless coverage using boundaries that are of a nearly uniform size. In addition, the nested nature of the hexes allows aggregation of like-sized areas to like-sized areas, unlike scaling up from blocks to block groups to tracts since these geographic areas can be of widely divergent sizes. The H3 system is used to divide the National Broadband Map into specific geographic areas, and the Map shows the percentage of a hexagon that is “covered” (*i.e.*, where a provider has claimed it can make broadband available) at different resolutions and levels of granularity as a user zooms in or out on the map. Mobile broadband coverage is displayed down to the resolution-9 hexagon level (hex-9) on the map, and data on such coverage is made available for download based on hex-9s. Because of its nested structure, using the H3 system allows the

Commission to categorize geographic areas at multiple levels of granularity.

57. If the Commission were to use hexagons as the base geographic unit to identify the areas eligible for high-cost support, it seeks comment on which hexagonal resolution level—*e.g.*, hex-8, hex-9—in the H3 hierarchy should be used. Should the Commission determine the eligible areas based on the H3 hexagonal units, specifically as hexagons at resolution 9? Hex-9s are nearly uniform and standardized and can be clearly identified and referenced. Because hex-9s are relatively small, with an average area of approximately 0.1 square kilometer, any reduction in map resolution when converting from raw propagation model output (as filed by providers) to hex-9s is minimal. Hex-9s can be aggregated when focusing on an area, such as all of the hex-9s that overlap a census geography. However, the small size of a hex-9 could also lead to an increase in administrative burden, as it takes more of them for a full assessment of an area, given their small size. The Commission seeks comment on using the hex-9 and hex-8 resolutions, as the basis for identifying specific geographic areas that are eligible for high-cost support under the Alaska Connect Fund. In the *5G Fund Further Notice*, 88 FR 66781, September 28, 2023, the Commission proposed that the eligible area would be smaller than a census tract and larger than a census block group, and it could aggregate hex-9s that overlap any desired census boundary. Given that some census blocks are very large in Alaska, would a combination of census blocks and hex-9s that contain locations indicated by the Fabric and road segments be more suitable for Alaska? Would hex-9s be too small for this purpose in Alaska, and if so, why and what size hexagon should be used?

58. The Commission seeks comment on how to define remote areas for the Alaska Connect Fund. Under the Alaska Plan, eligible areas were limited to remote areas of Alaska. The definition of “‘remote areas in Alaska’ includes all of Alaska except: (A) the ACS-Anchorage incumbent study area; (B) the ACS-Juneau incumbent study area; (C) the fairbankszone1 disaggregation zone in the ACS-Fairbanks incumbent study area; and (D) the Chugiak 1 and 2 and Eagle River 1 and 2 disaggregation zones of the Matanuska Telephone Association incumbent study area.” Should the Commission still use the definition of “remote areas in Alaska” as defined in § 54.307(e)(3)(i) of its rules? If not, what changes should the Commission make to the definition for the purposes of the Alaska Connect

Fund? For example, should the Commission publish a list of ineligible hex-9s and make that the operative definition of nonremote areas in Alaska? The Commission seeks comment on this approach as well as other approaches in how best to define eligible areas.

59. The Commission also seeks comment on what, if any, changes it should make to the requirement in the Alaska Plan that to be eligible, a remote census block needed to have less than 85% of the population covered by the 4G LTE service of providers that were either unsubsidized or not eligible for frozen support in Alaska as of December 31, 2014. Under the Alaska Connect Fund, should areas be re-evaluated for eligibility based on coverage by an unsubsidized provider or a provider that is deemed ineligible to participate in the plan? If the Commission were to use hex-9s as the base geographic unit for defining eligible areas, should it aggregate the hex-9s to a larger geographic area and then measure the percentage of that area that lacks covered hex-9s? If so, which larger geographic area should be used to aggregate hex-9s to determine eligibility? Should a larger-resolution H3 hexagon, such as a “parent” hex-8 or hex-7, or a larger Census-defined boundary such as a census block, block group, or tract be used? Further, what should that percentage be? For example, should census blocks that have 85% or greater coverage of hex-9s with 4G LTE or better coverage by an unsubsidized or ineligible provider, based on the latest BDC coverage data, be excluded from eligibility in the next version of the plan? Alternatively, if less than 85% of a hex-8 or hex-7 lacks unsubsidized 4G or better coverage based on the hex-9s within it, should that hex-8 or hex-7 geographic unit be considered eligible? If a boundary other than a larger “parent” hexagon is used to aggregate hex-9s, the Commission will need to determine how to assign and aggregate hex-9s to the larger boundary. Should the Commission analyze whether the centroid, or a particular areas percentage, of the hex-9 falls within the other boundary? If an unsubsidized or ineligible mobile provider is offering 4G LTE or 5G–NR service in a geographic area based on BDC data where another provider is receiving universal service support, should the Commission continue to provide universal service support in those geographic areas? Should areas with multiple providers, even if both are subsidized, be eligible? In the *5G Fund Further Notice*, the Commission proposed making ineligible those areas served with 5G–NR at

speeds of at least 7/1 Mbps by an unsubsidized provider. The Commission seeks comment on this proposal for the Alaska Connect Fund.

60. *Middle Mile*. The Commission seeks comment on ways to improve access to middle mile for mobile providers in the next version of the plan. The *2016 Alaska Plan Order* created three solutions to address the limitations presented by scarce middle mile in Alaska. First, the *2016 Alaska Plan Order* explicitly clarified that frozen support may be used to build and upgrade middle mile, even outside of the eligible areas, when needed to meet commitments within the eligible areas. Second, to better understand the extent of middle mile scarcity, the *2016 Alaska Plan Order* required all Alaska Plan participants to file maps of their fiber and microwave networks and update these maps if they deployed middle mile in the previous calendar year, with a format for these maps to be decided by the Bureaus. Third, as this was a ten-year plan, if a provider did not commit to provide 4G LTE at 10/1 Mbps to an area and new middle-mile services became commercially available to that area, the provider needed to submit a new performance plan incorporating the new middle mile. Moreover, several providers throughout the course of the Alaska Plan have noted that middle-mile transport can be prohibitively expensive when paying a third-party, especially in areas where there is little or no comparable competitive providers.

61. The Commission seeks comment on how to address middle mile concerns for mobile providers in an Alaska Connect Fund. Based on the fiber and microwave network maps and middle mile updates that the original eight mobile providers submitted, it appears that several of the mobile-provider participants could reach areas with multiple transport providers—which are areas most likely to offer transport at competitive prices—but mobile-provider participants either need to add microwave towers or fiber to reach those areas or to link up their own network so that all of their service areas can benefit from the areas with multiple transport providers. For such situations, how can the Commission best proceed in the next version of the plan to ensure that mobile provider service areas are connected to areas with multiple transport providers? The Alaska Plan explicitly allows funds to be spent on building out middle mile, but should the Commission set aside funds, as part of the Alaska Connect Fund, to cover capital costs of middle mile that can have an outsized impact on the last-mile service to an area? If so, how should the

Commission make such a determination? Do additional conversations need to occur with individual mobile providers so that a plan is tailored for them to build the necessary infrastructure to reach areas with multiple transport providers?

62. In an Alaska Connect Fund, should the Commission dedicate some portion of support to middle mile buildout? If so, how should the Commission allocate such support, and where should that funding come from? The Commission seeks comment, for example, on whether some portion of the \$162 million being allocated for unserved areas could be used to support middle mile buildout. If so, how should the Commission allocate those funds? For example, could some portion of the \$162 million be reallocated to a fund dedicated to ensuring middle mile is being constructed to areas with multiple transport providers or internet gateways, where a last-mile provider’s traffic would have transport pricing subject to more competitive pressures? If the Commission were to reallocate a portion of the \$162 million fund, how could this reallocation occur so as to still serve those 5,000 unserved Alaskans who were to benefit from that funding? Could some type of reimbursement program—where a provider submits to the Commission its costs for constructing infrastructure to areas with lower transport costs—be included as part of the Alaska Connect Fund? If the Commission were to make such a fund a part of the Alaska Connect Fund, how could it do so without interfering with other infrastructure programs, such as BEAD? What impact will other infrastructure funding programs, including BEAD, have on mobile providers’ access to middle mile? In its petition, ARCC requests that the \$162 million that is being accumulated for the reverse auction be reallocated to support operating costs of middle mile transport where transport costs are above \$75 per Mbps. Should such a system that provides additional support for high-cost transport be integrated into the Alaska Connect Fund? If so, how could the Commission implement such a system without creating undesirable incentives for providers to incur higher transport costs in order to trigger receipt of this particular universal service support (*i.e.*, how could it encourage carriers to seek the lowest cost, most-efficient middle mile access under ARCC’s proposal)? In particular, how would such a system impact mobile service in Alaska, and are there considerations regarding this issue specifically for mobile services?

63. If the Commission does provide funding opportunities specifically for middle mile construction, what requirements should it impose on providers that receive such funding? Should providers receiving support for the construction of middle-mile facilities be required to share capacity with other carriers on certain terms and conditions, and if so, what should those terms and conditions be? Should the appropriate standard for offering such middle-mile capacity be just and reasonable, commercially available, or something else? Should providers receiving support for the construction of middle-mile facilities be required to commit to not raising rivals' costs or charging monopoly prices? What wholesale and nondiscrimination requirements should apply to providers receiving middle mile funding? What sort of evidence should be provided to demonstrate noncompliance with such conditions, and what kinds of penalties should incur where noncompliance is found? For example, if an Alaska Connect Fund provider is charging lower transport rates in areas with multiple transport providers than areas where it has an effective monopoly, can it have its last-mile support withheld until it lowers its middle-mile rates? Could there be some other form of cap on transport prices by Alaska Connect Fund participants?

64. The Commission also seeks comment on the best approach for determining whether the availability of new middle mile service should result in changes to Alaska Connect Fund mobile providers' performance plans. Should the Commission conclude that middle mile is not commercially available if the Alaska Connect Fund participant must pay a particular price per Mbps? If so, what price per Mbps makes middle-mile effectively not commercially available to mobile-provider participants so that they could not provide rates and services that are reasonably comparable to urban areas, such as Anchorage? If new middle mile becomes available, but an Alaska mobile provider claims it is too expensive to be commercially available, should the Commission adopt a process whereby WTB provides notice to the mobile provider on whether it is required to submit a new performance plan after reviewing the costs and terms associated with the new middle mile service? Should providers that are providing fixed services at speeds above their mobile services commitments be deemed to have sufficient middle mile available to it or are there reasons to believe that middle mile is constrained

for the mobile provider, even if its wireline affiliate is meeting its commitments in an area?

65. Has the evolution of satellite networks and hybrid satellite-terrestrial networks restrained middle mile prices at sufficient service quality levels that can be integrated into considerations of middle mile being commercially available to an area? The Commission seeks comment more broadly on how the evolution of satellites, particularly the hybrid satellite-terrestrial networks, would impact services offered under the Alaska Connect Fund.

66. *Areas Receiving Duplicative Support.* The Commission has sought to eliminate duplicative support—the provision of support to more than one competitive ETC in the same area—in the high-cost program. To address the potential for duplicative support over time in the Alaska Plan, the Commission indicated that it would implement a process in the second half of the Plan to eliminate such support in areas where Alaska Plan support was going to two or more subsidized 4G LTE providers as of December 31, 2020, as reflected in the March 31, 2021 FCC Form 477 data. The *2016 Alaska Plan Order* also included a Further Notice of Proposed Rulemaking to address the logistics of how to handle situations where the Commission addresses areas receiving duplicative support with 4G LTE under the Alaska Plan.

67. It is generally not the policy of the USF to subsidize competition. Under the Alaska Plan, however, in some areas as many as three mobile-provider participants are receiving support and serving the same eligible area. In a filing before its petition for rulemaking, ATA indicated that the Commission should not address duplication before BDC data became available. In a more recent filing, ATA indicated that reducing support would threaten the financial stability of carriers and impact their ability to meet their commitments. How should the Commission address situations where two or more prospective participants of the Alaska Connect Fund cover the same geographic area? Now that BDC data are available for use, what is the best way to determine which areas are receiving duplicative support? For example, would requiring a provider's performance plan to specify each hex-9 that it is serving help to identify duplication?

68. Should the Commission continue to provide universal service support to two or more providers in the same geographic area? If there are multiple subsidized providers serving the same area, should the Commission allow only

one subsidized provider to continue receiving support in that area? Should the level of service being provided be a factor in determining the approach? For example, if two providers are offering 2G or one is offering 2G and another 3G, should that be treated differently than if two providers are offering 4G LTE? Alternatively, does the fact that multiple providers are covering the same area indicate that the area should be deemed ineligible for support? If an unsubsidized provider enters an area for which another provider is receiving support under the Alaska Connect Fund, should that provider continue to receive support for that area?

69. In areas where multiple subsidized providers serve the same area, would a reverse auction be the most appropriate method to determine which provider should receive the funding for those areas and how much funding should be awarded? If the Commission were to distribute future funding consistent with a reverse auction format or other competitive allocation mechanism, would that be sufficient to address concerns about duplicative support going to an area? For example, could an area-specific reverse auction determine the provider that is willing to meet the public interest requirements for the area at the lowest cost? If the Commission were to address duplicative support via a reverse auction, what barriers to auction participation, if any, would smaller providers face? What actions could the Commission take to reduce those barriers, and what would the costs and benefits of doing so be? For example, should the Commission offer bidding credits to smaller providers that seek to compete in such an auction? Alternatively, would a competitive process similar to the Bringing Puerto Rico Together and the Connect USVI programs be an appropriate mechanism for determining which mobile providers in Alaska receive support? The Commission seeks comment on the evaluation criteria consistent with this approach that would best determine which provider should receive support.

70. If the Commission does not use a reverse-auction or competitive process format, how can the Commission address duplicative support going forward in Alaska? If the Alaska Connect Fund continues under a similar structure as the Alaska Plan, could the Commission prevent duplicative support at the front end by simply not awarding support to more than one mobile carrier per eligible area? For example, should the Commission immediately redistribute support where there are multiple mobile providers

servicing the same area? If so, how would the Commission determine which provider should continue receiving support if it does not use a reverse auction?

71. How should the Commission redistribute the duplicative funds that were going to such areas? Could this redistribution be done by calculating the support that eligible providers are receiving per hexagon across all of that provider's service areas and subtracting the support that the provider receives per hexagon in a particular service area? Should this redistributed funding go into a middle-mile fund, unserved-areas fund, or something else? Alternatively, where such duplication is found, should the Commission allow the providers that would no longer receive support for that particular area to submit new hex-9s (where there is no duplication), in order to retain the same level of support? The Commission seeks comment on how to address duplicative support in remote Alaska, as well as ATA's concerns with addressing any such duplication.

72. Eligibility to participate in the Alaska Plan was limited to competitive ETCs that were serving remote areas in Alaska and certified that they served covered locations in remote areas in Alaska in their September 30, 2011 filing of line counts. Eligible providers interested in participating in the Alaska Plan were required to submit a performance plan and to have that performance plan approved by WTB. The Commission seeks comment on how to determine mobile provider eligibility for the next version of the plan. Should the Commission limit potential participants to the eight mobile providers that participate in the Alaska Plan? Should the Commission determine eligibility using the same criteria as before or apply different criteria?

73. The Alaska Plan provided a one-time option for eligible carriers to elect to participate and barred the participation of any entrants after that point. This structure did not allow for new entrants to receive support, even if they fulfilled needs in eligible areas consistent with the deployment standard of the Alaska Plan. The Bringing Puerto Rico Together and Connect USVI Funds had similar structures for support in Puerto Rico and the U.S. Virgin Islands, respectively. What lessons can be learned from these plans about not allowing new entrants to opt-in during the term of support? If the Commission relies on performance plans in the Alaska Connect Fund, could the Commission accept later entrants after

the plan has initiated? Should the Commission use the same structure for determining the participants in the Alaska Connect Fund? Or, should the Commission allow new entrants to opt-in during the term? How can the Commission ensure that new mobile providers in Alaska, including those that are not ETCs or other potential entrants that are not eligible for the Alaska Connect Fund, are not disadvantaged or discouraged from offering improved mobile services in an eligible area due to the existence of the Alaska Connect Fund support?

74. As mentioned in this document, some providers failed to meet their five-year commitments under the Alaska Plan. Should the Commission limit a mobile-provider participant's eligibility to participate in the next version of the plan if it failed to meet its commitments above a certain percentage at the Alaska Plan's interim or final milestone? If so, what should that non-compliance threshold be? Alternatively, should the Commission make full compliance with interim commitments of the Alaska Plan a prerequisite for a current participant's eligibility to participate in the Alaska Connect Fund? Likewise, should the Commission limit a mobile provider's eligibility if it failed to comply with the public interest obligations under the plan, such as the requirement to offer a similar plan, at a reasonably comparable rate, to one offered in Anchorage, Alaska?

75. The Commission seeks comment on how it should allocate support among the participants of the Alaska Connect Fund. For mobile services, \$739 million of frozen support was allocated to eight mobile providers over the ten-year period of the Alaska Plan. ATA requests that the Commission continue the current support that its members are receiving, adjusted for inflation. The Commission seeks comment on that approach. The support amounts for the Alaska Plan were set by freezing the "identical support" amounts, which were originally based on wireline costs, not mobile costs. As part of universal service reform in 2011, the Commission eliminated the identical support rule because this rule did not ensure efficient levels of funding for wireless carriers. Although the Commission intended to phase down the identical support in Alaska as well, the Commission, in order to avoid a flash cut in support to areas serving remote Alaska, including Alaska Native villages, allowed a delayed phase down of identical support in remote areas of Alaska, which was to begin in 2014 or upon the implementation of Mobility

Fund Phase II and Tribal Mobility Fund Phase II, whichever was later.

76. In 2014, as Mobility Fund Phase II was still being developed, the Commission sought comment on the possibility of freezing Alaskan competitive ETCs' phase down support and asked whether remote areas in Alaska should be subject to exceptions or other conditions for phase down in frozen support. ATA responded by proposing a plan, which would retain its members' respective support frozen at identical-support levels, but members would commit to "operate, extend, and upgrade existing broadband networks and operate and deploy wireless service in remote Alaska." Support previously going to nonremote areas of Alaska would be reallocated to a reverse auction fund that would target unserved areas. The Commission adopted ATA's plan for mobile support in Alaska, with some modification, and continued the support levels that were frozen from the identical support rule. The Commission seeks comment on how these frozen support amounts, set over a decade ago, are relevant to mobile service in Alaska today. Are there other ways to allocate funding support in a more prudent and efficient way? Would a reverse auction format, which is to be used in the Alaska unserved areas and the 5G Fund, work for all eligible areas of the Alaska Connect Fund? Are there other methods for competitively allocating support?

77. As the Commission has reformed the high-cost program, it has aimed to base support amounts on a forward-looking cost model or a competitive process. The Commission seeks comment on using these mechanisms going forward for mobile support in eligible areas of Alaska. Under the current funding structure, one provider receives \$56 per committed-to person per year while another provider receives over \$1,500 per committed-to person per year. This vast difference in ranges does not seem to accurately reflect current needs or costs of providing mobile service. Is there a more equitable and/or efficient way to allocate the funding for the benefit of Alaskans, such as designating a particular dollar amount per person served, subject to possible exceptions? If so, should such funding be based on the number of Alaskans served, adjusted using 2020 census data and the population distribution model? What, if any, exceptions should apply? Should the Commission use Fabric data to determine this funding amount? Should a dollar amount be determined by the number of locations served, consistent with the BDC Fabric, and hex-9s with road segments? If the Commission set an

upper bound on the amount of support that can be received per person or location committed to, should it redistribute excess funds to those getting the least amount of money per person/location or use some other method of support distribution that can better serve Alaskans? How should the Commission weight population-less hex-9s that have road segments?

78. The Alaska Plan is a ten-year plan that froze support to the eight mobile-provider participants specified at the beginning of the plan. If new entrants are able to join the Alaska Connect Fund after the plan has begun, what conditions should be met to allow late entry and from what pool of funds should the Commission consider providing support to new entrants in the market? Should any future universal service support allow for additional or alternative competitive ETCs to receive support?

79. As the Commission considers appropriate support amounts, it seeks comment generally on an appropriate budget for the Alaska Connect Fund for mobile service. The Commission seeks comment on how to provide sufficient support amounts to achieve the goals of encouraging secure mobile service deployment, while ensuring prudent use of universal service funds. In what ways should the progress made and challenges encountered during the Alaska Plan inform the budget for the Alaska Connect Fund?

80. *Unserviced Area Funds.* When the Commission adopted the *2016 Alaska Plan Order*, the Commission collected funds that were previously going to areas that the Alaska Plan deemed ineligible or to providers that were deemed ineligible and reallocated those funds to help bring service to unserved areas. The *2016 Alaska Plan Order* defined “unserved areas” as “those census blocks where less than 15% of the population within the census block was within any mobile carrier’s coverage area.” Commission staff estimated that, based on 2010 Census data, these areas contained about 5,000 Alaskans. For these unserved areas, the Commission planned to conduct a reverse auction to distribute the reallocated funds, which staff estimates will total \$162 million by December 31, 2026.

81. The Commission has not yet created the reverse auction contemplated in the *2016 Alaska Plan Order* to bring service to unserved areas. To the extent that areas that were unserved in 2016 are now being served by mobile providers, how can the Commission best bring service to unserved areas? Should the Commission

continue on a path towards completing a reverse auction using these funds? If not, what other alternatives could it consider? For example, could a reverse auction similar to that used by the Commission in the CAF-II and RDOF auctions be used to determine which areas will receive support given the budget, and how much support those areas will receive, with support going to no more than one bidder per area?

Would it be problematic if some of the most costly areas were not to be supported through the auction? Should the Commission consider a process similar to the competitive process similar to the Bringing Puerto Rico Together and the Connect USVI Funds? Does waiting on a reverse auction create an incentive not to serve these areas out of fear that it would cause a provider willing to serve that area to lose potential funding? If \$162 million is not the appropriate amount of funding to serve these areas, as it could exceed the per line cap amount, how should the amount be determined, and if there are unused funds, how should the funds be redistributed for the benefit of Alaskans?

82. *Deployment Standard.* In the *2016 Alaska Plan Order*, the Commission stated that it expected that Alaska Plan participants would work to extend 4G LTE throughout remote Alaska. Recognizing the limitations in some areas of remote Alaska, however, the Commission authorized WTB to approve lesser commitments where middle mile was limited, but where new-generation satellite or terrestrial-based middle mile became commercially available over the course of the ten-year Alaska Plan, providers were required to submit new performance plans, factoring in the new backhaul. In addition, mobile providers that could not commit to providing 4G LTE at a minimum of 10/1 Mbps were subject to additional requirements. Since the adoption of the *2016 Alaska Plan Order*, however, the Commission has moved towards supporting 5G-NR as the standard for high-cost mobile-wireless deployment.

83. The Commission seeks comment on the level of service that it should expect from mobile providers that receive support under the Alaska Connect Fund. More than seven years have passed since the Commission set the standard at 4G LTE at 10/1 Mbps. During this time, mobile wireless technologies have advanced significantly. What minimum speeds should the Commission expect mobile participants to achieve, especially when support may be used to deploy advanced technologies such as 5G-NR?

The Alaska Plan supports 2G, 3G, and 4G LTE. For the Alaska Connect Fund, should the Commission continue to support 2G and 3G technologies when most consumers in the U.S. are receiving 4G LTE and 5G services? Should the Commission require a minimum, universal level of technology of 4G LTE, or should it require 5G-NR? If 5G-NR is the new standard of deployment, the Commission seeks comment about also making 7/1 Mbps or 35/3 Mbps the universal standard for the purposes of the Alaska Connect Fund. If the Commission makes the standard of deployment less than 5G-NR at 35/3 Mbps or 7/1 Mbps, is it adequately pursuing the statutory universal service principle that consumers in rural and high-cost areas “should have access to” advanced communications “that are reasonably comparable to those services provided in urban areas”? If the Commission requires a minimum of 4G LTE at the beginning of the Alaska Connect Fund, should it have a mechanism to transition to a 5G-NR technology requirement during the term of the plan? On a related note, if over the course of the Alaska Connect Fund a new technology generation—*i.e.*, 6G—begins receiving support from other high-cost programs, should the Alaska Connect Fund have a mechanism to make that the deployment standard during the plan?

84. *Performance Plans.* In the Alaska Plan, eligible mobile-provider participants were required to have a performance plan approved by WTB, and they were required to update these performance plans periodically. Participating mobile providers were required to identify in their performance plans: (1) the types of middle mile used on that carrier’s network; (2) the level of technology (2G, 3G, 4G LTE, etc.) that carrier provides service at for each type of middle mile used; (3) the delineated eligible populations served, at each technology level by each type of middle mile as they stand currently and at years 5 and 10 of the support term; and (4) the minimum download and upload speeds at each technology level by each type of middle mile as they stood at the beginning of the plan and at years 5 and 10 of the support term. Alaska Plan participants that indicated in their approved performance plans that they were “rely[ing] exclusively on performance-limiting satellite backhaul for a certain portion of the population in their service area” were required to certify when new backhaul with “technical characteristics comparable to at least microwave backhaul” became

“commercially available.” Mobile-provider participants that had not “already committed to providing 4G LTE at 10/1 Mbps to the population served by the newly available backhaul by the end of the plan term” were required to submit revised performance plans factoring in the availability of the new backhaul options when it became commercially available.

85. Given the complexities involved with the administration of Alaska Plan funds, should the Commission continue to require each mobile provider to comply with specific performance obligations under a provider-specific performance plan with management of such obligations delegated to WTB? If the Commission retains this approach, what changes should it adopt to ensure that universal service funds are being used to provide Alaskans with advanced mobile service and providers are meeting their build-out obligations? The Commission seeks comment on what, if any, changes it should make to the performance plan requirements in the next version of the plan, particularly in light of technological advances since the 2016 Alaska Plan and changes to how providers must submit their coverage data to the Commission. Should the Commission consider adding a latency requirement and, if so, should it be the same as the latency requirements for fixed carriers of the Alaska Connect Fund? Should there be a minimum data usage allowance as part of the deployment standard?

86. The BDC has greatly improved mobile coverage maps, but the BDC specifications and requirements are significantly different than the FCC Form 477 coverage maps on which the Alaska Plan commitments were based. Assuming that the Commission requires provider-specific performance plans in the Alaska Connect Fund, it seeks comment on what changes it should make to the performance plan requirements in light of the BDC specifications and reporting requirements. For example, in the original Alaska Plan, FCC Form 477 allowed providers the option of selecting what minimum mobile broadband speeds users could expect to receive, such as 4/1 Mbps from 4G LTE technology, and the provider could submit a coverage polygon for 4G LTE at 4/1 Mbps, accordingly. However, the BDC does not allow 4G LTE coverage polygons to be submitted at speeds less than 5/1 Mbps. The Commission intends to use BDC maps in the next version of the plan to the maximum extent possible. In light of this, the Commission seeks comment on what the appropriate floor should be for

speed commitments, and how it should capture these data using the BDC. If commitments are set at speeds higher than the minimum levels required by the BDC (e.g., 5/1 Mbps 4G LTE; 7/1 Mbps 5G–NR; and 35/3 Mbps 5G–NR), can the Commission require providers to submit their BDC data at these higher speeds? If commitments can be set lower than the BDC floor, how should the Commission capture that data consistent with the Broadband DATA Act’s requirement to base new funding on the BDC?

87. The BDC requires mobile providers to submit mobile availability coverage maps for both outdoor stationary and in-vehicle mobile environments. An outdoor stationary environment typically results in a larger coverage footprint than an in-vehicle mobile environment. Which maps should the Commission require for creation of performance plans? Depending on the BDC maps that the Commission chooses to rely on for a provider’s commitments, what impacts would this have on providers’ obligations and the funding that it provides? For example, would the choice of outdoor stationary environment preclude all in-vehicle mobile testing?

88. Under the Alaska Plan, mobile providers were permitted to offer lesser commitments than 10/1 Mbps 4G LTE if they were constrained by middle mile but were subject to additional requirements. For example, if new middle mile became commercially available in an area where a mobile provider committed to provide less than 10/1 Mbps 4G LTE, the mobile provider had to submit a new performance plan. Under the Alaska Connect Fund, should the Commission continue to permit lesser commitments if providers are constrained by middle mile? Have technological advances, such as the development of new satellite capacity, particularly low-earth orbital satellites, lessened middle mile constraints? If the Commission does allow providers to offer lesser commitments, what information should be provided to demonstrate that an area is middle-mile constrained? The Alaska Plan required providers to categorize their performance plan commitments by the particular type of available middle mile. This categorization ensured that commitments were commensurate with the middle-mile capability available. If the Commission forgoes discrete middle-mile technology rows in the performance plans, should it affect the commitments that providers would make? If the Commission does not require information about middle mile

technology, are there other ways to address concerns about providers offering lesser commitments based on middle mile limitations? For example, could the Commission address concerns about lesser commitments by imposing requirements similar to the extra requirements imposed in the 2016 *Alaska Plan* Order for providers that commit to less than 10/1 Mbps 4G LTE (e.g., submitting an updated plan when new middle mile becomes available)? If a provider commits to less than 35/3 Mbps, should the Commission require the mobile provider to identify all such areas, based on the chosen base geographical unit, where it is not committing to 35/3 Mbps, so if new middle mile becomes commercially available to those areas, it will trigger a new performance plan filing?

89. The Commission also seeks comment on what changes, if any, it should make to coverage commitment requirements. In the Alaska Plan, the mobile provider performance plans committed to cover a specified number of people. To determine the covered population of each provider, WTB and OEA adopted the *Alaska Population Distribution Order*, which distributed the population of a census block to areas where the population is most likely to reside. Where an exception was granted for the Alaska Population Distribution Model, it was often due to having more specific data on where housing was located. Now that the BDC has developed a location Fabric, should the Fabric be used to determine where populations are likely to be located, instead of the Alaska Population Distribution Model for the Alaska Connect Fund? Should the Commission somehow translate Fabric locations to population, and if so, how should that work? If not, should the Commission do it based on coverage of the hex-9 centroid or another method? What implications would this approach have for mobile service in Alaska? Would commitments based on population from the Fabric lead to some unpopulated roads or travel routes remaining unserved, even though mobile service is needed along those routes? If so, how could the Commission address such a situation? Should it consider a hybrid approach that uses both Fabric data and a population methodology or Fabric data and uncovered-roads methodology? Alternatively, should the Commission move to a geographic coverage requirement or some other type of coverage commitment? For example, instead of committing to cover population, should the provider commit to cover the eligible hex-9 (or whatever

base geographic unit the Commission uses) to account for the need to cover unpopulated road areas (e.g., roads that connect populated areas)? What type of coverage commitments will lead to the best coverage in remote Alaska?

90. *Updating Performance Plans.* Participants were required to update their performance plans during the course of the Alaska Plan under three circumstances: (1) at the four-year mark of the Alaska Plan—December 31, 2020—for the second half of the ten-year term of the Plan; (2) if the provider committed to provide less than 4G LTE at 10/1 Mbps and new terrestrial backhaul or next-generation satellite became commercially available to an area; or (3) if WTB determined that the filing of revised commitments was justified by developments that occurred after the approval of the initial commitments. During the course of the Alaska Plan so far, only two providers submitted additional performance plans that were accepted by WTB, and both were submitted due to the introduction of new middle mile capacity becoming commercially available to an area. Several additional providers were instructed to provide updated performance plans, based on developments that occurred after the initial commitments, but failed to provide updates that reflected the developments. The Commission seeks comment on what, if any, changes it should make to the requirements to update performance plans during the course of the Alaska Connect Fund term to ensure funds are used the most effectively for the benefit of Alaskans. In particular, the Commission seeks comment on how to determine when new commitments would be triggered, how new commitments should be determined, and what penalties it should consider for failure to comply with requirements to submit updated commitments.

91. *Additional Public Interest Obligations.* Alaska Plan mobile participants have additional public interest obligations. First, providers had to maintain at least the level of service that they had been providing as of the date their individual plans were adopted by WTB and to offer a stand-alone voice service. Second, providers had to certify in their annual compliance filings that their rates were reasonably comparable to rates for comparable offerings in urban areas. Each mobile provider must also demonstrate compliance with this requirement at the end of the five-year and 10-year milestones and may do this by showing that its required stand-alone voice plan, and one service plan that

offers broadband data services, if it offers such plans, were substantially similar to those offered by at least one mobile service provider in the cellular market area for Anchorage and offered at the same or lower rate. Were these additional public interest obligations, in addition to the other obligations of the Alaska Plan, sufficient to ensure that the public interest was being met in extending mobile services in remote areas of Alaska? The Commission seeks comment on what, if any, changes it should make to these public interest obligations. With respect to the reasonably comparable rate requirement, should the Commission adjust the requirement in any way? In the Alaska Plan, some mobile providers have committed to provide 2G and 3G data services. If the Commission allows providers to continue to receive funds for these older generations of technology, how should it compare the 2G and 3G plans to plans in the Anchorage area, which do not appear to have available data plans using these older technologies? Should a provider need to meet the § 54.308(d) requirement in every area it provides service? How can the Commission best advance in Alaska section 254(b)(3) of the Act, which seeks to ensure that advanced telecommunications and information services in rural areas “are reasonably comparable to those services provided in urban areas and that are available at rates that are reasonably comparable to rates charged for similar services in urban areas.”

92. The Alaska Plan is set to end on December 31, 2026. The Commission has not determined how support will be allocated to mobile providers in eligible areas after this date. ATA asks the Commission to start a new version of the plan by January 2024, or as soon as possible thereafter, citing the need for advanced planning for future deployments. The Commission seeks comment on when to start the Alaska Connect Fund. Should the Alaska Connect Fund begin as soon as possible, with new commitments? Or should the Commission start it after the Alaska Plan ends? Alternatively, if necessary, should the Commission extend existing funding until after BEAD support has been allocated, as this may affect the type, availability, and cost of middle mile access for mobile services? To the extent that funding stability is needed beyond the end of the Alaska Plan, as ATA suggests, would this also be an issue at the end of an Alaska Connect Fund; and if so, how can providers be held to their final commitments? The Commission also seeks comment on

how to ensure that final commitments to Alaskans in the Alaska Plan are honored if a new plan were to start before the final commitments are required to be fulfilled.

93. If the Commission has not made a decision about an alternate plan by the end of the Alaska Plan—December 31, 2026—should current participants have their support continue indefinitely until the effective date of the new plan or some other potential end date, such as the date on which the Commission approves participants for the new plan or the start of disbursements under the new plan? Should the Alaska Plan support be subject to phase down, consistent with the original identical support phase down? Also, should participants of the Alaska Plan that choose to opt out of or are deemed ineligible for the Alaska Connect Fund stop receiving support on December 31, 2026, consistent with the Alaska Plan? Or should their support phase out on an updated schedule similar to § 54.307(e)(3)(iv)?

94. The Commission seeks comment on how other funding programs should influence the timing of the Alaska Connect Fund for mobile providers. In light of the fact that Alaska will receive more than \$1 billion in funding for broadband deployments under the BEAD program, which has yet to be allocated to specific projects, and that one provider will separately receive approximately \$89 million in Federal funding to deploy middle mile in Alaska, should the Commission wait to start the Alaska Connect Fund until after it has more information about these deployment projects, so that it can ensure the most efficient and effective use of high-cost funds? What impact will these and other broadband infrastructure programs have on mobile service in Alaska, and how can the Commission avoid overlap? ATA suggests that the BEAD program is a reason to act quickly to ensure funding is stable beyond 2026, as “project bidders must provide evidence that they are able to provide sustained operation and committed service of a BEAD-funded network.” ATA notes that if improved middle mile becomes commercially available in an area served due to the BEAD program, new commitments could be triggered in the Alaska Connect Fund. While this approach is similar to the Alaska Plan, which requires providers to submit updated performance commitments when new middle mile becomes commercially available, the Commission notes that the failure of some providers to update performance plans when required was a problem in the Alaska

Plan. The Commission seeks comment on ATA's recommendation that it begin the Alaska Connect Fund before BEAD funding is allocated. In addition, the Commission seeks comment generally on how best to maximize Alaska Connect Fund support and administration for mobile services in light of BEAD and other broadband infrastructure programs.

95. The Commission also seeks comment on the term of the Alaska Connect Fund. Given the pace of technology advancements in mobile services, the Commission seeks comment on whether extending the high-cost support to Alaska through 2034, as ATA suggests, would create an appropriate support term. Would a shorter term promote flexibility and encourage technology advances? Or, alternatively, would a shorter term limit the ability of mobile providers to plan for future deployments and upgrades? Would a longer term have any benefits? The Commission also seeks comment on ATA's proposal that it allows for automatic extensions of a new plan in one-year intervals at the end of the term unless the Commission acts otherwise.

96. The Commission seeks comment on how to ensure accountability and oversight of the Alaska Connect Fund. The Alaska Plan employs carrier self-reporting and drive tests to determine whether providers are meeting their commitments to Alaskans. Mobile-provider participants in the Alaska Plan also were required to file voice and broadband coverage data, consistent with FCC Form 477, which the Commission uses to evaluate whether providers were covering the number of Alaskans with the minimum speeds and technology they were promised. The *2016 Alaska Plan Order* required use of the FCC Form 477 for the Commission's evaluation of coverage, and though the Commission now uses coverage maps from the BDC, WTB and OEA have issued an order requiring continued filing of data pursuant to FCC Form 477 rules in order to have like comparisons throughout the duration of the Alaska Plan. Providers were also required to certify that they had met their commitments at the five-year and ten-year milestones. As noted in this document, several mobile providers had to re-file their Form 477 data based on inaccuracies in their initial filing. What additional accountability measures can the Commission employ to ensure that providers are filing accurate coverage data? The Commission also seeks comment on additional accountability and oversight measures. Under the *2016 Alaska Plan Order*, mobile-provider participants receiving more than \$5

million annually—GCI and Copper Valley Wireless—had to conduct drive testing with a statistically significant number of tests in the vicinity of residences being covered. This required WTB and OEA to construct a drive test model and provide GCI and Copper Valley Wireless a sampling of grid cells in order for GCI and Copper Valley Wireless to meet this requirement.

97. For providers receiving \$5 million or less annually, USAC hired a third-party drive tester to measure performance on some of those providers' networks to verify their coverage. What, if any, changes should the Commission make to the on-the-ground testing requirements under a new plan? If the Commission used the BDC outdoor stationary coverage maps to measure compliance with providers' performance plans, would on-the-ground testing be limited to outdoor, stationary tests and there would be no in-motion testing? Should USAC administer all on-the-ground testing, even for those providers receiving more than \$5 million annually, to ensure uniformity? Should providers receiving more than \$5 million annually from the Alaska Connect Fund either conduct the tests themselves or cover the costs of USAC-administered on-the-ground testing as a condition of participating in a universal service fund? Should the Commission impose any additional accountability measures, such as requiring mobile providers to submit infrastructure data for the areas they receive support that meet the infrastructure specifications that mobile providers would submit through the BDC challenge and verification processes or otherwise expand on the audit provision of the prior plan?

98. Should the Commission consider using the methodologies adopted in the BDC mobile verification process as the basis for substantiating coverage and demonstrating compliance? Specifically, the Commission seeks comment on whether to require providers to submit either on-the-ground test data or infrastructure data, or a combination of the two, to substantiate their coverage in the areas for which they receive Alaska Connect Fund support. In particular, should providers be required to submit on-the-ground test data for areas that are accessible and infrastructure data for areas that are inaccessible? Should they submit infrastructure data sufficient to generate a "core coverage area," as defined in the BDC mobile verification process, and on-the-ground test data for areas outside of such a core coverage area? Alternatively, should providers be allowed to submit either type of data regardless of the type of area in which

they are deploying service? For performance-plan commitments made pursuant to outdoor stationary maps in the BDC, would in-motion audit testing be appropriate for testing that mobile service, and if so, what sort of in-motion testing would be appropriate? For performance-plan commitments made pursuant to in-vehicle BDC coverage, would a minimum in-motion speed of 15 mph be appropriate for drive testing?

99. How can the Commission best ensure a coverage commitment that is enforceable? For example, should the Commission require mobile providers to identify all of the specific hex-9s they commit to serve? Should commitment information be made public? In addition to requiring providers to submit coverage area information to ensure they have met their commitments, should the Commission also require that they submit infrastructure data and/or on-the-ground speed test data for the supported areas, as contemplated in the *5G Fund Further Notice*?

100. If a provider chooses to submit on-the-ground test data in response to a BDC mobile verification request, it must provide such data based on a sample of on-the-ground tests that is statistically appropriate for the area tested. In the BDC, the sampled area is based on H3 resolution-8 hexagonal areas, and the provider must submit the results of at least two tests within each hexagon, and the time of the tests must be at least four hours apart, irrespective of date. The tests are then evaluated to confirm, using a one-sided 95% statistical confidence interval, that the cell coverage has at least a 90% probability of meeting the minimum speed requirements at the cell edge. Should the Commission apply this BDC mobile verification process to the Alaska Connect Fund, at a hex-9 resolution, instead of a hex-8, and require mobile providers to submit on-the-ground test data based on a sample of supported areas? The Commission seeks comment on this approach. Do commenters believe that more tests or fewer tests should be required within a hexagonal area? Should the tests be spaced further than four hours apart or closer together?

101. If a provider chooses to submit infrastructure data in response to a BDC mobile verification request, it must submit additional information beyond what is submitted as part of its biannual BDC availability data (propagation modeling details, as well as link budget and clutter data), including cell-site and antenna data for the targeted area. Should the Commission require the same additional infrastructure data that is required in the mobile verification process when a provider chooses to

submit infrastructure data to substantiate coverage in areas supported by the Alaska Connect Fund? The Commission seeks comment on this approach.

102. In the *2016 Alaska Plan Order*, the interim milestone commitments were due December 31, 2021. This initial assessment resulted in several noncompliance letters and occasional confusion regarding what the mobile-provider participant had committed to. Should the next version of the plan have more than just one interim-commitment milestone dates to ensure that each provider is making steady progress toward its final commitments, as well as ensure that the provider has more opportunities to comply where it may have a misunderstanding of its obligations? Would having multiple interim milestones within the Alaska Connect Fund term raise concerns? Could compliance issues also be improved through annual progress meetings? Should the Commission impose stricter requirements on providers that had a higher percentage of non-compliance, such as annual on-the-ground testing requirements or quarterly submission of infrastructure data based on the BDC infrastructure data specifications or a combination of both? What safeguards can the Commission adopt to improve compliance?

103. As noted in this document, the Commission is committed to working with Tribes and Tribal leaders. The Commission seeks comment on issues related to Tribal Nations and Tribal Lands in Alaska as it considers the Alaska Connect Fund for mobile providers. Are there any Tribal concerns that arise from or could be addressed by the Alaska Connect Fund that are specific to mobile service, and if so, how should those issues best be addressed?

104. *Cybersecurity*. Are there any cybersecurity concerns that arise from or could be addressed by an Alaska Connect Fund that are specific to mobile service, and if so, how should those issues best be addressed? The Supply Chain Reimbursement Program proceedings, for example, have required three mobile-provider participants in the Alaska Plan to remove equipment from untrusted suppliers and, as a practical matter, allowed for network upgrades in the process. Are there security advantages from that proceeding that other providers should integrate? Should mobile-provider participants in the Alaska Connect Fund be required to use the NIST Framework for Improving Critical Infrastructure Cybersecurity to manage cybersecurity

risks and certify accordingly? The Commission proposes that Alaska Connect Fund support recipients be required to implement a cybersecurity risk management plan that reflects the latest version of the NIST Framework for Improving Critical Infrastructure Cybersecurity, that reflects an established set of cybersecurity best practices, such as the standards and controls set forth in the CISA Cybersecurity Cross-sector Performance Goals and Objectives or the CIS Critical Security Controls as these elements pertain to mobile service. The Commission also proposes that carriers be required to implement supply chain risk management plans that incorporate the key practices discussed in NISTIR 8276, Key practices in the Cyber Supply Chain Risk Management Observations from Industry, and related supply chain risk management guidance from NIST 800–161. Would it be appropriate for Alaska Connect Fund recipients to submit to USAC their updated cybersecurity and supply chain risk management plans within 30 days of making a substantive modification thereto, as E-ACAM recipients must? The Commission proposes providers receiving support under the Alaska Connect Fund adopt the same cybersecurity reporting requirements that were adopted in the E-ACAM Notice for both mobile and fixed carriers. The Commission seeks comment on this proposal. What reasons, if any, would support differences in cybersecurity requirements between the mobile and fixed carriers under the Alaska Connect Fund?

105. *Open RAN*. The Commission seeks comment on whether it should use the Alaska Connect Fund to encourage the deployment of Open RAN, and if so, how. In its March 2021 *Open RAN NOI*, 86 FR 16349, March 29, 2021, the Commission sought input on “whether, and if so, how, deployment of Open RAN-compliant networks could further the Commission’s policy goals and statutory obligations, advance legislative priorities, and benefit American consumers by making state-of-the-art wireless broadband available faster and to more people in additional parts of the country.” Soon after the *Open RAN NOI* was adopted, the President signed Executive Order 14036, which encouraged the Commission to “consider . . . providing support for the continued development and adoption of 5G Open Radio Access Network . . . protocols and software.” The Commission has since sought comment in the *5G Fund Further Notice on*

whether and how it should factor the use of Open RAN technologies into the 5G Fund, noting that “Open RAN has the potential to allow carriers to promote the security of their networks while driving innovation, in particular in next-generation technologies like 5G, lowering costs, increasing vendor diversity, and enabling more flexible network architecture.” Should the Alaska Connect Fund encourage Open RAN? If so, how should it do this? In addressing these questions, commenters should identify with particularity industry-accepted Open RAN specifications, standards, or technical requirements that would represent suitable evaluative criteria for mobile providers in remote Alaska.

106. *Renewable Energy*. Fuel costs are expensive in Alaska. And some of this directly affects communications infrastructure operation, such as microwave towers that may be isolated from other infrastructure and require diesel fuel to be brought to the site via helicopter to remote sites. Can the Commission require or create incentives for the use of renewable energy—such as a combination of wind, solar, and batteries—to be used at microwave tower or other communications infrastructure sites, which could lower operational expenditures around fuel costs, as well as be more environmentally friendly?

107. To the extent not already addressed, the Commission, as part of its continuing effort to advance digital equity for all, including people of color, persons with disabilities, persons who live in rural or Tribal areas, and others who are or have been historically underserved, marginalized, or adversely affected by persistent poverty or inequality, invites comment on any equity-related considerations and benefits (if any) that may be associated with the proposals and issues discussed herein. Specifically, the Commission seeks comment on how its inquiries may promote or inhibit advances in diversity, equity, inclusion, and accessibility, as well the scope of the Commission’s relevant legal authority.

II. Procedural Matters

Paperwork Reduction Act

108. The NPRM contains possible new or modified information collection requirements. The Commission, as part of its continuing effort to reduce paperwork burdens, will invite the general public and the Office of Management and Budget to comment on the information collection requirements contained in the NPRM, as required by the Paperwork Reduction Act of 1995,

Public Law 104–13. In addition, pursuant to the Small Business Paperwork Relief Act of 2002, Public Law 107–198, *see* 44 U.S.C. 3506(c)(4), the Commission seeks specific comment on how it might further reduce the information collection burden for small business concerns with fewer than 25 employees.

109. *Providing Accountability Through Transparency Act.* The Providing Accountability Through Transparency Act requires each agency, in providing notice of a rulemaking, to post online a brief plain-language summary of the proposed rule. Accordingly, the Commission will publish the required summary of the NPRM on <https://www.fcc.gov/proposed-rulemakings>.

110. As required by the Regulatory Flexibility Act of 1980, as amended (RFA), the Commission has prepared this Initial Regulatory Flexibility Analysis (IRFA) of the possible significant economic impact on a substantial number of small entities by the policies and rules proposed in the NPRM. Written public comments are requested on this IRFA. Comments must be identified as responses to the IRFA and must be filed by the deadlines for comments provided in the NPRM. The Commission will send a copy of the NPRM, including this IRFA, to the Chief Counsel for Advocacy of the Small Business Administration (SBA). In addition, the NPRM and IRFA (or summaries thereof) will be published in the **Federal Register**.

111. In the NPRM, the Commission seeks comment regarding the best approach for developing the next phase for the Alaska Connect Fund in order to determine the most effective means of supporting Alaska's remote areas once fixed and mobile support for both incumbent and competitive LECs have ended. The Commission has recognized the inherent challenges in serving these areas of Alaska and understands the necessity in providing innovative solutions and unique accommodations to residents and businesses alike. The Commission also recognizes that there are areas of Alaska that still lack high-quality affordable broadband, where residents may be deprived of the opportunity to keep up with the advancements in technology that Americans living elsewhere benefit from. Currently, the Commission provides high-cost support to Alaska Plan fixed and mobile carriers, ACS, and A–CAM carriers. In the *2016 Alaska Plan Order*, the Commission stated that it would conduct a rulemaking prior to the close of the 10-year support term to determine whether and how support

would be provided after the end of the 10-year support term, and that the Commission would consider adjustments for marketplace changes and the realities of the current time. In the *ACS Order*, the Commission stated that it would conduct a rulemaking in year eight of the program to determine how support would be awarded for the areas at the conclusion of the program. In the NPRM, the Commission initiates those rulemakings as a means of assessing all of the changes, both in technology and in the broadband funding landscape, that have occurred in Alaska since the inception of the Alaska Plan and the *ACS Order* in 2016. The Commission also undertakes a fresh look at the most efficient use of Universal Service Fund high-cost support in Alaska going forward not only to help connect unserved Alaskan communities but also to support existing service and service funded through other Federal and state programs. The Commission relies on the experiences of the Alaskan carriers—many of which are small business entities—and the record stemming from proposals in recent petitions to build a record on how best to structure and target Alaska Connect Fund support.

112. The RFA directs agencies to provide a description of and, where feasible, an estimate of the number of small entities that may be affected by the proposed rules, if adopted. The RFA generally defines the term “small entity” as having the same meaning as the terms “small business,” “small organization,” and “small governmental jurisdiction.” In addition, the term “small business” has the same meaning as the term “small business concern” under the Small Business Act.” A “small business concern” is one which: (1) is independently owned and operated; (2) is not dominant in its field of operation; and (3) satisfies any additional criteria established by the SBA.

113. *Small Businesses, Small Organizations, and Small Governmental Jurisdictions.* The Commission's actions, over time, may affect small entities that are not easily categorized at present. The Commission therefore describes here, at the outset, three broad groups of small entities that could be directly affected herein. First, while there are industry specific size standards for small businesses that are used in the regulatory flexibility analysis, according to data from the SBA's Office of Advocacy, in general a small business is an independent business having fewer than 500 employees. These types of small businesses represent 99.9% of all businesses in the United States which

translates to 33.2 million businesses. Next, the type of small entity described as a “small organization” is generally “any not-for-profit enterprise which is independently owned and operated and is not dominant in its field.” The Internal Revenue Service (IRS) uses a revenue benchmark of \$50,000 or less to delineate its annual electronic filing requirements for small exempt organizations. Nationwide, for tax year 2020, there were approximately 447,689 small exempt organizations in the U.S. reporting revenues of \$50,000 or less according to the registration and tax data for exempt organizations available from the IRS. Finally, the small entity described as a “small governmental jurisdiction” is defined generally as “governments of cities, counties, towns, townships, villages, school districts, or special districts, with a population of less than fifty thousand.” U.S. Census Bureau data from the 2017 Census of Governments indicate there were 90,075 local governmental jurisdictions consisting of general purpose governments and special purpose governments in the United States. Of this number, there were 36,931 general purpose governments (county, municipal, and town or township) with populations of less than 50,000 and 12,040 special purpose governments— independent school districts with enrollment populations of less than 50,000. Accordingly, based on the 2017 U.S. Census of Governments data, the Commission estimates that at least 48,971 entities fall into the category of “small governmental jurisdictions.”

114. Small entities potentially affected by the rules herein include Wired Telecommunications Carriers, LECs, Incumbent LECs, Competitive LECs, Interexchange Carriers (IXC's), Local Resellers, Toll Resellers, Other Toll Carriers, Prepaid Calling Card Providers, Fixed Microwave Services, Cable and Other Subscription Programming, Cable Companies and Systems (Rate Regulation), Cable System Operators (Telecom Act Standard), Radio and Television Broadcasting and Wireless Communications Equipment Manufacturing, Satellite Telecommunications, Wireless Telecommunications Carriers (except Satellite), All Other Telecommunications, Wired Broadband internet Access Service Providers (Wired ISPs), Wireless Broadband internet Access Service Providers (Wireless ISPs or WISPs), internet Service Providers (Non-Broadband), and All Other Information Services.

115. The RFA requires an agency to describe any significant, specifically small business, alternatives that it has

considered in reaching its proposed approach, which may include the following four alternatives (among others): “(1) the establishment of differing compliance or reporting requirements or timetables that take into account the resources available to small entities; (2) the clarification, consolidation, or simplification of compliance and reporting requirements under the rule for such small entities; (3) the use of performance rather than design standards; and (4) an exemption from coverage of the rule, or any part thereof, for such small entities.”

116. In the NPRM, the Commission takes steps to minimize the economic impact on small entities and considers significant alternatives by proposing and seeking alternative proposals designed to balance its requirements to provide support that is sufficient to achieve the Commission’s universal service goals, while also providing appropriate incentives for prudent and efficient expenditures. With these goals in mind, in the NPRM, the Commission took the steps of considering measures related to the budget for the Alaska Connect Fund support mechanism that could potentially benefit legacy support recipients, including small entities, by having their support shifted towards costs that are trending higher for such carriers. For example, the Commission considered providing funding for both areas that still requires buildout and ongoing support for areas that are already built out. In addition, the Commission also considered allowing the option to participate in the Alaska Connect Fund for small entities and other carriers that are not current support recipients. In considering these matters, the Commission notes that the costs of high-cost universal service is ultimately borne by consumers through the contributions factors assessed on their bills.

117. The Commission also considered alternatives for specific deployment obligations for carriers receiving Alaska Plan support. For example, the Commission considered whether it should change the obligations to require the deployment of broadband at a different speed, for example 100/20 Mbps consistent with the Infrastructure Act. Alternatively, the Commission considered retaining the existing requirement that support recipients offer broadband at speeds of 25/3 Mbps deployment obligations, as well as revisiting deployment obligations to account for another government agency making a qualifying award with enforceable deployment obligations in the carrier’s service area. If the Commission were to adopt lower

broadband speed obligations, like 25/3 Mbps, it might reduce costs for small and other legacy support recipients. A carrier’s costs may also be reduced if other funding programs award funding in the rate-of-return carrier’s service area, and that carrier is no longer required to serve the locations receiving the alternative funding. However, these scenarios may affect support for such carriers if the Commission adjusts support to account for the lower costs or duplicative funding.

118. Additionally, the Commission considered alternatives for specific deployment obligations for mobile-provider participants that receive Alaska Connect Fund support. For example, the Commission considered whether it should require the deployment of 5G–NR at 35/3 Mbps, or whether it should revisit deployment obligations to account for another agency making a qualifying award with enforceable deployment obligations in the carrier’s service area. If the Commission were to adopt lower broadband speed obligations, like 7/1 Mbps, it might reduce costs for small and other legacy support recipients. A carrier’s costs may also be reduced if other funding programs award grants in the mobile participant’s awarded area, and if carriers receiving duplicative support are no longer required to serve the locations receiving the alternative funding. However, as is the case for rate-of-return carriers, these scenarios may result in the reduction of support for these carriers if the Commission adjusts support to account for the lower costs or duplicative funding.

119. Lastly, in consideration of reducing the economic burden small and other entities might experience, the Commission seeks comment on alternatives for reducing a carrier’s support amount to reflect the availability of funding from other Federal and state programs in their service areas or to reflect that an unsubsidized competitor serves the area. For example, the Commission could identify whether the timing for BEAD funding, which instructs states to award funding for unserved locations, underserved locations and community anchor institutions, overlaps with the Alaska Connect Fund funding, thereby warranting changing the timing for awarding support amounts.

120. The matters discussed in the NPRM are designed to ensure the Commission has a better understanding of both the benefits and the potential burdens associated with the different actions and methods before adopting its final rules.

121. To assist in the Commission’s evaluation of the economic impact on small entities, as a result of actions it has proposed in the NPRM, and to better explore options and alternatives, the Commission has sought comment from the parties. In particular, the Commission seeks comment on whether any of the burdens associated the filing, recordkeeping and reporting requirements described in this document can be minimized for small businesses. Through comments received in response to the NPRM and the IRFA, including costs and benefits information and any alternative proposals, the Commission expects to more fully consider ways to minimize the economic impact on small entities. The Commission’s evaluation of the comments filed in this proceeding will shape the final alternatives it considers, the final conclusions it reaches, and the actions it ultimately takes in this proceeding to minimize any significant economic impact that may occur on small entities as a result of any final rules that are adopted.

III. Ordering Clauses

122. *It is ordered* that, pursuant to the authority contained in sections 1, 2, 4, 5, 201–06, 214, 218–220, 251–52, 254, 256, 301, 303, 309, 332, and 403, and of the Act, as amended, 47 U.S.C. 151–52, 154–55, 201–06, 214, 218–20, 251–52, 254, 256, 301, 303, 309, 332, and 403 this NPRM is adopted. This NPRM will be effective upon publication in the **Federal Register**, with comment dates indicated therein.

Federal Communications Commission.

Marlene Dortch,

Secretary, Office of the Secretary.

[FR Doc. 2023–25375 Filed 11–16–23; 8:45 am]

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FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 73

[MB Docket No. 23–380; RM–11968; DA 23–1053; FR ID 184411]

Television Broadcasting Services Missoula, Montana

AGENCY: Federal Communications Commission.

ACTION: Proposed rule.

SUMMARY: The Video Division, Media Bureau (Bureau), has before it a petition for rulemaking filed August 16, 2023, by Sinclair Media Licensee, LLC (Petitioner or Sinclair), the licensee of KECI–TV, channel 13, Missoula, Montana (Station or KECI–TV). As discussed below, the