

Institute of Social and Economic Research



UNIVERSITY of ALASKA ANCHORAGE



Rural Broadband: **Opportunities** for Alaska

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The Information Connection: Benefits of Information and Communication Technologies (ICTs)

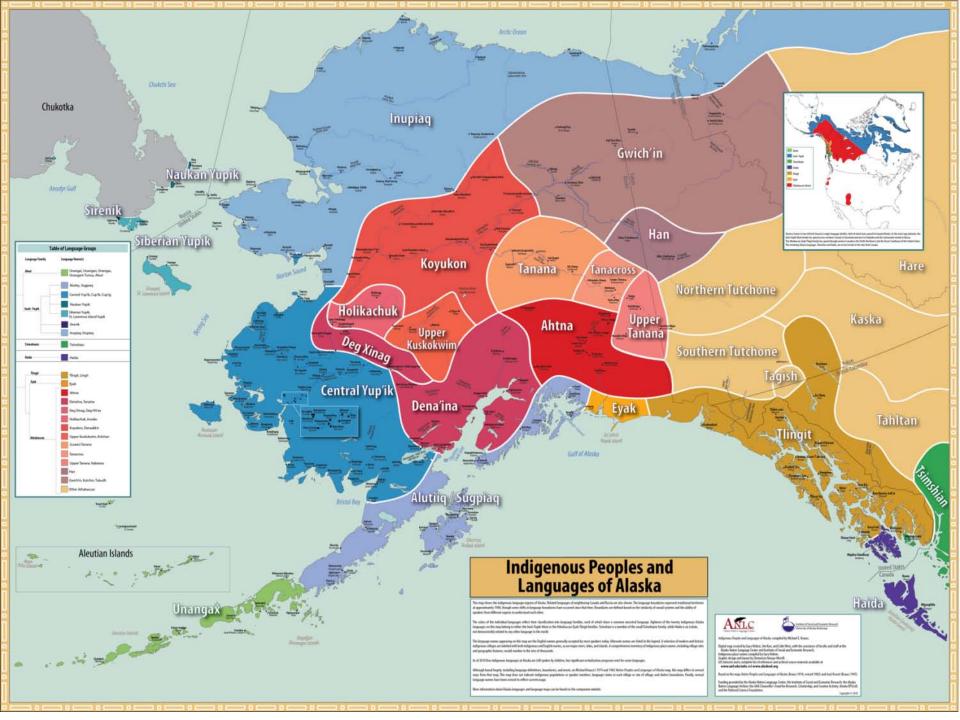
- Efficiency: Saving time and money
 - Logistics for transport and tourism
 - Ordering supplies and spare parts
 - Arranging clinic visits
 - Arranging to get perishable products to market
- Effectiveness: Improving quality of services
 - Education:
 - Adult education: university courses; GED completion
 - Schools: supplementary materials, online courses
 - Health Care:
 - Consultation between village health workers and physicians
 - Training for health workers
 - Access to specialized expertise
- Equity: Bridging Digital Divides
 - Urban and rural; rich and poor; minorities; disabled

Alaska: Context

- Largest state: 571, 951 sq. miles
- Population: >710,000
- Lowest population density: 1.2 persons per sq. mile
- Half pop. in Anchorage
- Alaska natives: 14.8% of population
- 6 major linguistic/cultural groups, 226 tribes
- 2/3 live in more than 200 villages
- Very limited road system
- Many villages accessible only by boat or bush plane







From "Bush Telegraph" to Broadband

- Early days: communication by HF radio
- Since 1980s, all permanent communities of at least 25 people have telephone service
- >95% of households have telephones
- Broadband in Anchorage and large towns
- Rural/remote service typically 768 kbps
- Remote service by satellite:
 - Generally reliable, but latency, high cost





Community Access in Rural Alaska:

At the post office, at the store, or under a tree...







Internet Access in Rural Alaska:

Some village households have their own Internet connection





Satellite Facilities



Alaska Fiber Optic System



Rural Broadband: Entrepreneurship and Services

- Reach
 New markets, new audiences
- Market Information
 Getting price information
 Getting competitive bids
 New sources of supplies
- Government Information online
 Fishing, hunting licenses
 Permanent Fund applications
 Permits, etc.
- Native Organizations:
 Management and Fundraising
 Grant applications online
 Filing reports for federally funded projects

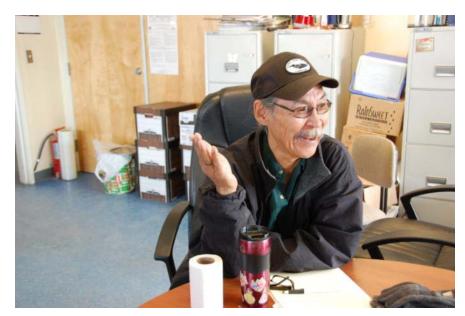






From the downy soft under-wool of the Arctic Musk Ox





Broadband for access to funding and government services

Community managers and development workers must apply for grants and file reports for projects online

E-government: state licenses, forms available online



Entrepreneurship: Native Telephone Co-ops





Connect to the Internet with high speed DSL

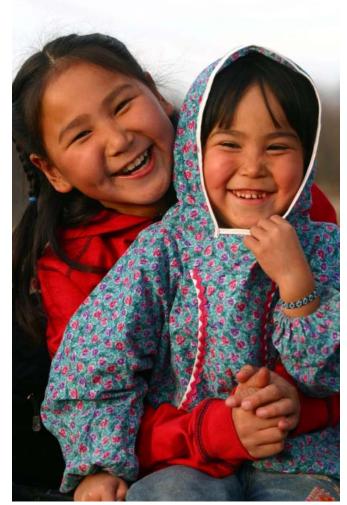
Now available in:

- Barrow
- Point Hope
- Nuiqsut
- Wainwright



Alaska: Challenges in Rural Education and Health Care Delivery

- Shortage of professionals
 - teachers, physicians
- Distance from specialized expertise
 - medical specialists
 - teachers of specialized and advanced subjects
- Problems exacerbated by poverty and isolation
- Lowest population density in U.S.

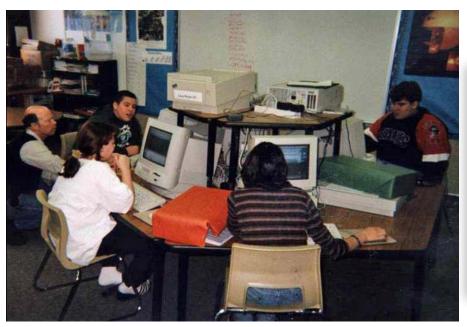




Internet Access for Schools in Rural Alaska

- •Supplementary materials
- Online classes

Adult distance education





Telemedicine in Alaska

AFHCAN Telehealth System:

250 sites; 70 member organizations

- Village clinics: Native health aides
- Public Health clinics
- Regional hospitals
- Military installations, Coast Guard, Veterans Administration

Covers more than 212,000 beneficiaries

- About 40% of Alaska population
- Majority are in Alaska native villages





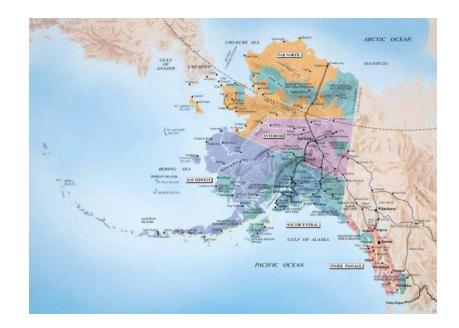


Telemedicine in Wales: Inupiat Village on the Bering Sea



Closest mainland
settlement to Siberia
Part of Norton Sound
Health District (Bering
Straits Native Corporation)
Regional Hospital in
Nome

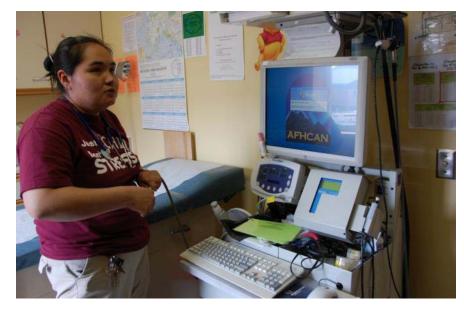




Wales: Clinic with Health Aide and Telemedicine Facilities









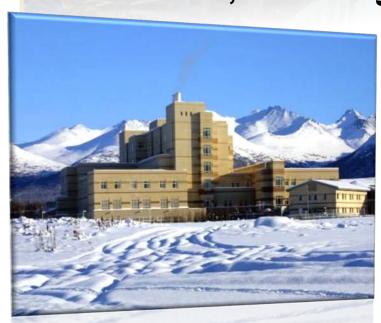
Case originated...





Case received...Alaska Native Medical Center, Anchorage





Native IT Training: Inutek.net Maniilaq Training & Recruitment Program

- Kotzebue: Inupiat regional hub community on the Bering Sea
- Partnership of health care provider and telecom carrier
- Recruit locally in villages
- Work with the school district to identify students who are interested in technology
- Provide summer employment while they are in school
- Build a highly motivated and qualified team of local network technicians





Access: Providers and Users

Access from the providers' perspective:

- Houses passed: wireline fiber, coax, copper, etc.
- Coverage for wireless technologies

Users'perspective:

- Availability
 - Houses passed or wireless coverage
 - Community: school, library, community center
- Affordability
 - Price for commonly used services
 - Price as percentage of disposable income
- Skills
- Content, applications

Access Policy Targets

Household access

U.S.:

Broadband

- Personal access
 - wireless phones, PDAs, laptops, netbooks
- Institutional access:
 - SMEs, NGOs, government agencies, etc.
- Public access
 - Single national model (e.g. post offices);
 - Variety of public access models (telecenters, PCCs, cybercafés, other shops, NGOs, etc.);

Schools and libraries;

 Other institutions, such as government offices, community centers, banks

- Geographic access
 - Within specified distance of access point
- Other criteria
 - Population, administrative function, etc.

Internet, broadband

Internet, broadband

Voice: Alaska

Broadband: U.S. Stimulus Projects

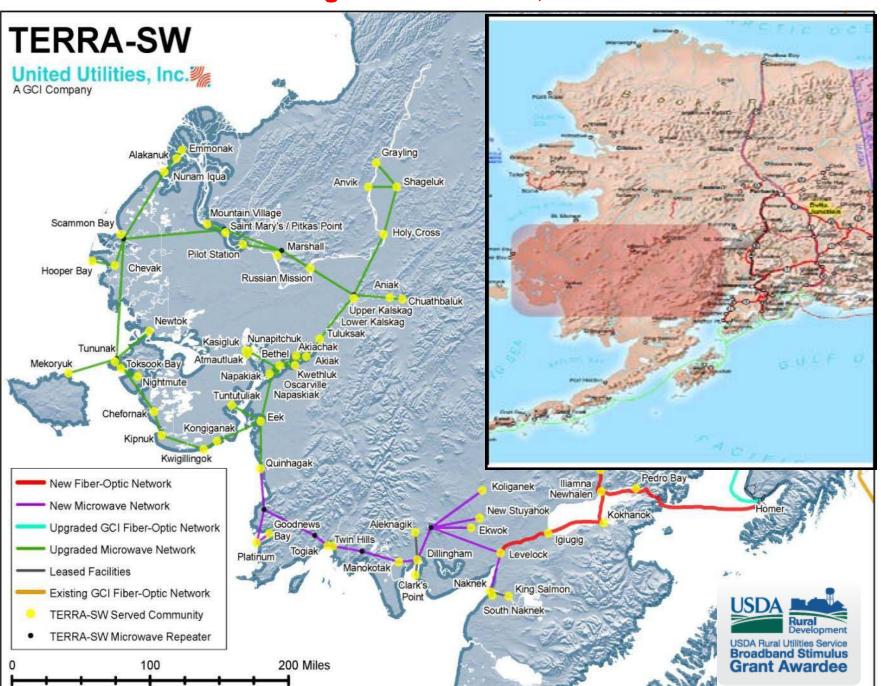
- NTIA (Dept. of Commerce):
 - BTOP (Broadband Telecom Opportunities Program) (\$4.7 billion)
 - Alaska Projects:
 - OWL: Online with Libraries
 - Bridging the eSkill Gap: Community access, training, applications
 - Connect Alaska: Planning and Mapping
- Rural Utilities Service (RUS), Dept of Agriculture:
 - Broadband Infrastructure Program (BIP): grants and loans (\$2.5 billion)
 - Alaska Projects:
 - TERRA (GCI/UUI): SW Alaska (middle mile)
 - Rivada Sea Lion: SW Alaska (wireless last mile)
 - Copper Valley: Cordova, McCarthy
 - Supervision: Tanana
- Other Stimulus Initiatives involving ICTs:
 - Electronic health record systems, other health IT
 - Energy: Smart Grids
 - Department of Education
 - Public Safety and Homeland Security

Alaska RUS (BIP) Projects

Alaska received more than \$117 million in BIP rural infrastructure projects:

- TERRA SW: (\$88 million in grants and loans) will provide terrestrial connectivity through an hybrid optical fiber and microwave middle-mile network to 65 villages in Bristol Bay and the Yukon-Kuskokwim regions.
- SABRE (Southwest Alaska Broadband Rural Expansion): (\$24 million) is intended to provide wireless 4th generation (4G) broadband service to southwest Alaska through a partnership between a telecommunications company and a subsidiary of Sea Lion Corporation, the Alaska Native Village Corporation for Hooper Bay.
- Copper Valley (\$8.7 million): is to provide broadband for a few isolated communities near Valdez.
- Spacenet/Starband: one of the satellite providers funded to provide free satellite equipment and installation plus discounted service to residents who do not have other options to access broadband. Spacenet's funding was specifically for Hawaii and Alaska.

TERRA: \$88 million RUS grants and loans, 65 communities



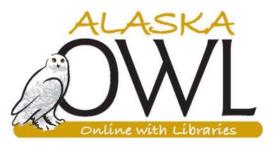


SABRE: Planned Service Area

Covers 53 rural communities in southwest Alaska, a 90,000 square mile area.







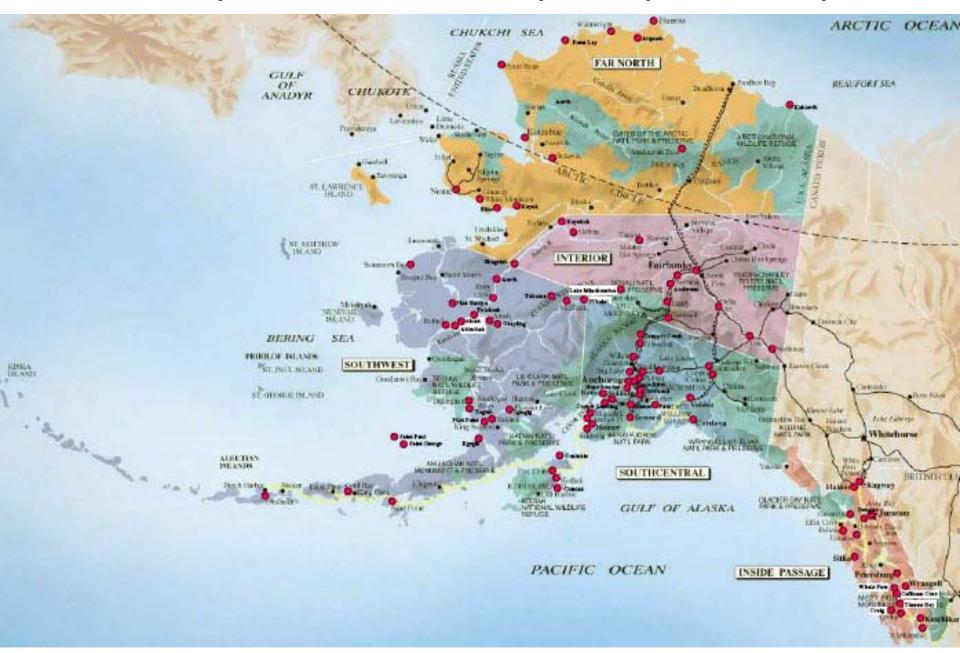
Stimulus-Funded Project for Alaska Libraries

- Broadband-buying consortium + E-rate for libraries under American Library Association
- Recommended standard = 1.5 Mbps
- Videoconferencing/webconferencing network
- Equipment for all libraries
- IT Support for libraries open less than 20 hours per week
- Training for all libraries

Potential beneficiaries:

- •Remote library users where home ownership and subscriptions are lowest
- •Students K-12 Live Homework Help, 1 on 1
- Adult students University, Vocational, Certificates
- State agencies

OWL (Online with Libraries) sites (NTIA BTOP)



Helping to Pay for Rural Telecommunications: Universal Service Fund Support for Alaska

Federal Universal Service Fund

Surcharges on all telephone bills

In 2009, Alaskan subscribers contributed about \$19 million and received \$244 million, or more than \$12 for every dollar paid in.

- Internet and Connectivity:
 - Internet for Schools and Libraries
 - Supported by the USF E-Rate program
 - Alaska received \$29m in 2010; \$155m from 1998 through 2009
 - Highest per capita of any state
- Rural Telemedicine:
 - Supported by USF Rural Health Care Program:
 - Alaska receives the largest amount of any State: \$35.5m in 2010
- Voice Services:
 - High Cost Support:
 - Alaska companies received \$219m in 2010
 - Low Income Subscribers:
 - Lifeline and Linkup: Alaska low income subscribers received subsidy of \$26.8m in 2010

FCC's National Broadband Plan: Goals

- Speed: "100x100": At least 100 million U.S. homes should have affordable access to actual download speeds of at least 100 Mbps and actual upload speeds of at least 50 Mbps.
- Access and Skills: Every American should have affordable access to robust broadband service, and the means and skills to subscribe if they so choose.
- Anchor Institutions: Every community should have affordable access to at least 1 Gbps broadband service to anchor institutions such as schools, hospitals and government buildings.
- Mobile Innovation: The United States should lead the world in mobile innovation, with the fastest and most extensive wireless networks of any nation.
- Public Safety: To ensure the safety of Americans, every first responder should have access to a nationwide public safety wireless network.
- Energy Management: To ensure that America leads in the clean energy economy, every American should be able to use broadband to track and manage their real-time energy consumption.

Steps to Achieve U.S.Broadband Plan: Universal Service Goals

- Connect America Fund
 - Affordable broadband and voice with at least 4 mbps down and 1 mbps upload speed
- Mobility Fund
 - National 3G coverage; support for 4G
- Retain and improve E-Rate Program
- Reform High Cost Fund
 - Include broadband
- Update Low Income Funds to include broadband

(For more information, see www.fcc.gov)

FCC Rural Broadband Reviews Affecting Alaska

National Broadband Plan:

- Connect America Fund
 - Affordable broadband and voice with at least 4 mbps down and 1 mbps upload speed
- Mobility Fund
 - National 3G coverage; support for 4G

FCC Activities: 2010/2011

- Connect America Fund and High Cost Support:
 - FCC NOI and Proposed Rulemaking: Adopted April 21, 2010
- Upgrading E-Rate for the 21st Century:
 - FCC 6th Report and Order: Adopted Sept 23, 2010
- Review of Lifeline and Linkup Programs:
 - "Universal service support should be directed where possible to networks that provide both broadband and voice services."
- Native American Broadband Task Force: 2011
- NOI on Improving Communications Services for Native Nations: 2011
- Connect America Fund NPRM, 2011

USF Reform: Connect America Fund

- High Cost Fund represented more than 70 percent of the USF subsidies for Alaska in 2010
- FCC's Connect America Fund Order
 - Executive Summary released Oct 26, 2011
 - Connect America Fund:
 - CAF to ultimately replace all high cost support
 - High Cost Fund will be frozen at \$4.5b (same level as FY11)
 - Requires carriers receiving legacy high cost support for voice to also offer broadband with speeds 4 Mbps downstream and 1 Mbps upstream
 - Customers in service area must request broadband
 - CAF Mobility Fund
 - \$300 million for mobile voice and broadband in high cost areas, plus
 \$500 million/year ongoing support
 - Tribal areas up to \$100 million/year
 - Remote Areas Fund: \$100 million/year

State Broadband Activities

Rural Alaska Broadband Internet Access Grant Program

- Regulatory Commission of Alaska (RCA), funds from USDA
- For low income communities
- Required speed only 768 kbps
- Carriers receive up to 75% of construction costs; must keep rates comparable to urban rates for 2 years

Connect Alaska:

- Stimulus funding from NTIA
- state broadband map
- Support for training, content development, digital literacy

State Broadband Task Force

- Broadband planning funds from NTIA
- See <u>www.connectak.org</u>

Beyond Infrastructure:

- From Access to Adoption
 - Understanding non-adopters
 - Develop training, applications
- Improve Skills:
 - Ensure Alaskans can use these tools
- Develop Applications:
 - For rural businesses and Services
- Involve Alaska Natives:
 - National goals/benchmarks may not reflect the needs of Alaska Native communities
 - Need to understand barriers to adoption
 - Need to collect and verify data on rural access
- Evaluation: Learning about Broadband Impacts:
 - For consumers: adults and young people
 - For schools
 - For health care
 - For businesses and organizations





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Thank You

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