

AT&T seeks entry into Alaska phone market, appoints rural advisors

American Telephone and Telegraph, better known as AT&T, wants to initiate long-distance telephone service to, from and within Alaska in direct competition with Alascom and GCI.

As part of this effort, the company has appointed an advisory board comprised of representatives from all 12 ANCSA regions to provide guidance on local concerns.

The New York-based company has been involved in the Alaska market for years under a special relationship with Alascom dictated by the Federal Communications Commission. Under this arrangement, AT&T has been paying Alascom's costs for completing AT&T calls to Alaska, while Alascom has been paying its interstate revenues to AT&T. The result has been an \$80-100 million subsidy paid by AT&T to Alascom.

Now, AT&T feels it can do better by participating as a direct player. If the company receives regulatory approval, a decision which should be reached soon—the company plans to begin building the necessary facilities almost immediately, says Douglas Wilcox, AT&T's general manager for Alaska.

According to one analysis, AT&T's in-state phone rates could be about four percent below Alascom's current rates. Wilcox says in addition to savings, AT&T plans to provide its Alaskan customers with a number of services from its national menu not currently available in Alaska.

Members of AT&T's advisory board include: Ted Littlefield, Metlakatla; Dick Borer, Cordova; Alice Petrivelli, Anchorage; David Eluska, Akhiok; Fred Elvsas, Seldovia; Ken Johns, Copper Center; Matthew Nicolai, Anchorage; Wilfred Ryan, Jr., Unalakleet; Jonathon Solomon, Fort Yukon; Jeff Smith, Kotzebue; Corn Sakeagak, Barrow; and Harvey Samuelson, Dillingham.

Although it is still looking at AT&T's plan for direct operations here, the State of Alaska has been receptive to the company's bid.

In comments to a legislative committee in August, John Katz, special counsel to the governor, said: "After careful study, we have concluded that various changes have occurred which make continuation of the joint services arrangement between Alascom and AT&T not sustainable in the long run."