

## **Report on a Comprehensive Rural Broadband Strategy NRTC to the FCC on March 25, 2009**

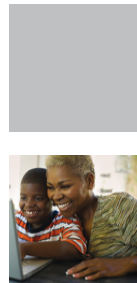
The National Rural Telecommunications Cooperative (NRTC) filed comments with the Federal Communications Commission on March 25, 2009, in response to the “Report on a Comprehensive Rural Broadband Strategy,” a section of the 2008 Farm Bill. The 2008 Farm Bill requires the Commission to develop a “comprehensive rural broadband strategy” and submit a report to Congress by May 22, 2009. Comments like those filed by NRTC are to provide the public record basis for the May 22 report.

In its comments, NRTC claimed that universal access to broadband service is achievable through a combination of wireless broadband service based on WiMAX technology and satellite broadband for the most remote areas.

“WiMAX is a least-cost, readily deployable technology that also offers great potential for mobility as well as fixed service,” NRTC said. “Satellite broadband, with its ubiquitous coverage, reaches remote areas in the most cost-effective manner available. It is the only technology today that can provide reasonable broadband service to virtually every home and business in the United States.”

NRTC applauded the NTIA and RUS for the degree of coordination and cooperation those agencies have demonstrated through their recent joint roundtables and the Joint Request they have issued. Also, NRTC offered the following the guiding principles to those agencies as they craft our nation’s broadband programs:

- In implementing the grant and/or loan processes at NTIA and RUS, NRTC urges that priority be given to grant applicants that demonstrate a clear and proven ability to deploy broadband services rapidly and on a least-cost basis, taking into consideration the capital costs to deploy (i.e., cost per home passed), CPE costs and monthly service fees.
- Agencies should implement rules and processes that will minimize the barriers to grant or loan applications. With respect to RUS, communities or areas that have been foreclosed because of a pre-existing loan should be reopened for eligibility. There are many areas for which an RUS loan has been authorized and which are now off-limits to any other broadband provider. Yet, in many cases, loan recipients have not made substantive progress on deployment of the proposed broadband service. In any new rules that the RUS may promulgate, provisions should be included that prevent the blocking or “warehousing” of any markets.
- While a national broadband map may ultimately have great value, the task of creating such a map should not impede timely funding and deployment of any broadband service. Applicants for funding should, however, be required to include local mapping for any proposed service area covered by an application.



- Agencies should avoid any hard-line data speed standards and any “gold standard” level of service. Without question, the faster a service is, the better. But in this case, great is the enemy of good. With millions of Americans lacking broadband, the goal should be to ensure access to best reasonable level of service, given all circumstances. Download speeds greater than 1 Mbps - potentially available within weeks or months after funding – are a vast improvement for the majority in rural America. Consumers should not be forced to wait a longer period for a “gold” or “platinum” level of service that may never arrive. In areas where the delivery of any form of terrestrial broadband service is not feasible (or at least not in the near term), the agencies should acknowledge and support satellite delivered broadband, irrespective of speeds.
- Applicants for funding should make a good faith effort to coordinate with state and local jurisdictions and seek to meet the needs of the community. However, in order to avoid an added layer of complexity (and potential delay) funds should not be channeled through or governed by any governmental agencies other than NTIA and RUS.
- While WiMAX and satellite can provide the last mile of service, there must be ready access to the “middle mile” in order to connect with the Internet on a national level. NRTC believes that a free market approach will be sufficient in most cases. In situations where the middle mile or national backbone provider refuses to allow access on commercially reasonable terms and prices, the Commission should implement and employ procedures to hear and address such cases in an expedited manner. NRTC would also urge NTIA and RUS to implement rules that support the deployment of middle mile fiber in rural markets along right-of-ways to provide interconnection with last-mile technologies such as WiMAX.
- The agencies should develop consistency in regulations and definitions and commonality of forms and procedures to facilitate application processes for both the agencies and applicants.
- The agencies should establish reasonable and consistent timeframes in which to receive, consider and award grants and loans. As noted above, NRTC, its affiliates and members are prepared to act quickly to begin the deployment of broadband in rural America. The authorizing agencies should not impede progress to this goal.
- Priority should be given to applicants demonstrating a history of experience and capability of delivering and supporting advanced technologies on a sustained basis in rural markets.
- Agencies should give priority to applicants that demonstrate the “plus-factor” of a public service commitment. Where applicable, priority should be given to applications that reflect institutional beneficiaries, such as schools, libraries, public safety, and medical facilities. Applicants should show community enrichment potential through training and even the distribution of computer equipment at low or no cost to those with need. Priority should be given to entities that demonstrate an understanding of and plan to deliver that plus-factor of human need.