

September 29, 2014

Ms. Marlene H. Dortch  
Secretary, Office of the Secretary  
Federal Communications Commission  
445 12th Street, SW, Room TW-A325  
Washington, D.C. 20554

**Subject: Reply Comments of the City of Palo Alto in the Matter of Petitions Pursuant to Section 706 of the Telecommunications Act of 1996 for Removal of State Barriers to Broadband Investment and Competition - WCB Docket No. 14-115 (Wilson) and WCB Docket No. 14-116 (Chattanooga)**

Dear Ms. Dortch:

The City of Palo Alto ("City" or "Palo Alto"), a California chartered municipal corporation in the State of California, hereby files these reply comments in response to the Federal Communication Commission's request ("Commission"), released July 28, 2014 in the above captioned proceedings after Petitions of the City of Wilson, North Carolina ("Wilson") and the Electric Power Board of Chattanooga, Tennessee ("EPB") (collectively "Petitioners") were filed on July 24, 2014 with the Commission. Palo Alto supports the Opening Comments of the National League of Cities, National Association of Counties, U.S. Conference of Mayors, and National Association of Telecommunications Officers ("Opening Comments") filed August 28, 2014.

Local control of critical utility and communications infrastructure is an important principle for the City of Palo Alto. In addition to supporting the effective delivery of municipal services, this principle of local control has benefited multiple high-tech companies which have thrived in Palo Alto for many years and created the foundation for countless innovative products and services we enjoy today. In California, public entities are generally allowed to provide communications services. Since the late 1990s, the City of Palo Alto has operated a 41-mile dark fiber-optic backbone system which supports the delivery of a variety of City services, including electric, gas, water and wastewater utility services, in addition to a number of other municipal services dependent on high capacity fiber-optic communications infrastructure. Moreover, spare capacity on the City's dark fiber-optic backbone system is licensed to commercial firms, the public school system and other organizations in Palo Alto, which further leverages the City's fiber-optic asset and supports ultra-high speed broadband connectivity and innovation throughout the community.

In 2013, the City launched a technology initiative which includes the development of a Fiber-to-the-Premise Master Plan and a Wireless Network Plan. The goal for these plans is to evaluate business models for the further expansion of the dark fiber-optic backbone system for use by all businesses and residents to ensure access to reliable and reasonably priced ultra-high speed broadband connectivity.

By restricting the options available to local communities to obtain 21st Century broadband infrastructure and services for their businesses and residents, the principle of preserving "local choice and local control" is significantly impacted. Palo Alto shares the National League of Cities and other Commenters position that the Commission should "continue to work with all stakeholders to develop rules and policies that maintain local control and authority in community broadband initiatives."

When the rest of the world is rapidly deploying essential 21st century broadband infrastructure, all

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options must be on the table for our country to remain globally competitive. Removing the barriers to broadband investment and competition as requested in the Opening Comments will encourage more communities to be better positioned to enable America to maximize all resources so that no one is left behind and unable to participate in this knowledge-based global economy.

Sincerely,

A handwritten signature in blue ink, appearing to read "Nancy Shepherd".

Nancy Shepherd  
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cc: Palo Alto City Council  
Palo Alto City Manager  
Congresswoman Anna Eshoo  
Congresswoman Jackie Speier