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Chairman Thomas Wheeler  
Commissioner Mignon Clyburn  
Commissioner Michael O'Rielly  
Commissioner Ajit Pai  
Commissioner Jessica Rosenworcel  
  
Federal Communications Commission  
445 12th Street, S.W.  
Washington, DC 20554

September 29, 2014

***Re: Electric Power Board and City of Wilson Petitions to Preempt State Laws on Municipal Broadband: WCB Docket Nos. 14-115 and 14-116.***

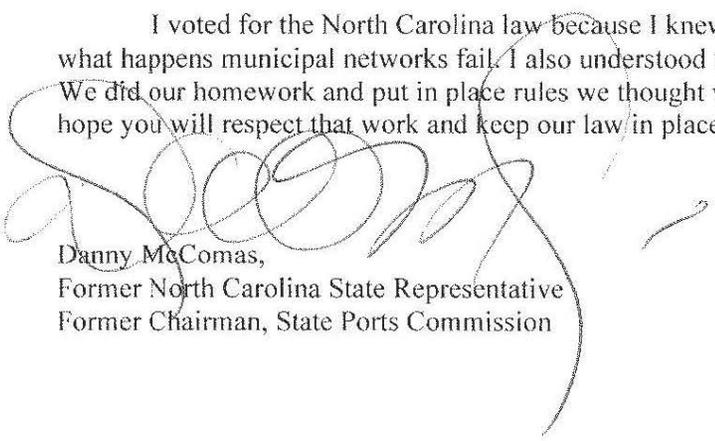
Dear Chairman Wheeler and Commissioners Clyburn, O'Rielly, Pai and Rosenworcel:

I am writing to oppose Wilson, N.C. and Chattanooga, Tenn.'s petition that asks the Federal Communications Commission to circumvent state laws concerning municipal broadband networks. I voted for the North Carolina law at issue because it is necessary to protect local taxpayers and the regional economy. I understand several taxpayer advocate groups, including Citizens Against Government Waste, wrote to express the same concerns.

The municipal networks in Wilson and Chattanooga both provide superfast download speeds to subscribers. While North Carolinians and Tennesseans want faster Internet, based on the number of subscribers to the gigabit service, it is clear that demand was not great enough to justify the hundreds of millions of taxpayer dollars spent on these networks. This scenario has played out all over the country as local governments have overestimated potential revenues and underplayed costs. A handful of these municipalities sold their networks at enormous losses when they realized they couldn't balance the books. Other networks are trying to sell today.

Municipal broadband networks also have a chilling effect on competition. Besides the unique advantage of having taxpayer financing, government networks are exempt from the fees we ask private providers to pay. Given these clear subsidies, I'm not sure why a private provider would want to compete with the government. Residents take an additional hit here: not only are they financing a government network through their tax dollars, they're paying more for service because the government has a potential monopoly.

I voted for the North Carolina law because I knew from experiences in other cities and states what happens municipal networks fail. I also understood the effect they could have on local job creation. We did our homework and put in place rules we thought were fair and limited the risks to our economy. I hope you will respect that work and keep our law in place.



Danny McComas,  
Former North Carolina State Representative  
Former Chairman, State Ports Commission