

The Honorable Michael K. Powell
Chairman
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Dear Chairman Powell:

I believe that many of the concepts set forth in your NPRM are based on misconceptions regarding the ISP marketplace as a whole.

The first and foremost area where this is lacking is that of price. The small and independent ISPs provide price competition to the major players (AOL, Earthlink, etc.). A quick survey of every market in the US will show that the majors are the highest priced in the market. Is there any doubt that if the lower cost organizations were removed that overall prices would rise.

The second area of misconception is that of coverage. There are large portions of the country where the major ISPs do not provide service or only do so via long distance. The independents serve a much needed role providing services in these areas. Unless you are envisioning a mechanism similar to the Universal Service Fund to incent the majors to provide service in high cost areas, giving the majors the level of control proposed would eliminate service in many of these areas.

The last point I wish to make is in your assumption that the majors are the best providers for all markets. I would encourage you to review market data for areas such as High Point NC, Pierre SD, and Twin Falls ID. These, and there are many others, are tier 3 or 4 cities where the number one provider is a local independent even though all of the majors offer services in these locals. This statement says that there are many factors other than a national footprint that play into ones choice of an ISP.

I thank you for your time and attention in this matter.

Sincerely

Warren Lee

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Warren Lee
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