

To whom it may concern, re: Proceeding 02-33

I have copied the following text verbatim from Dave Burstein(editor@dslprime.com). These are a few key points that express my concerns much more eloquently than I am personally able.

Please consider the points below:

The third Internet is fast enough to watch. That's the crucial reason independent ISPs should be protected from telco dominance. This is far more than a business competition issue, but rather goes right to primary concerns about diverse points of view and innovative new uses of the net. Cable TV notoriously blocks most channels, providing a "walled garden" of limited choice. This must not be extended to the Internet, but DSL providers like SBC (one third of the country) have exactly that in their plans. Contracts SBC demands of ISPs force video speed traffic to bypass the ISP and go directly to SBC and pay an extraordinary toll.

Competitive rules are meaningless unless the prices are realistic. Telco unbundled DSL pricing of \$33 or so is completely unjustified, and was a major mistake when accepted by the FCC. The complete package cost less retail in Canada, although the ISP pays for customer acquisition, support, billing, and the backbone connection. In Britain, regulator OFTEL has just agreed that BT's wholesale price of \$21 is reasonable and profitable. The U.S. telcos, at the volumes they are now achieving, report their costs are the same or lower. The telcos have captured 80% + of the ISP business, by punitively pricing even to giants like AOL and Earthlink. Lowering the wholesale price to a worldwide standard \$20 will do more than anything else to grow broadband.

Quality and reliability is even more crucial, and generally ignored by policymakers. If we want innovative services, we need to make sure the networks are robust enough to carry them. Truth in advertising is the easiest way to enforce this. SBC (and others) should be obligated to deliver on their network the 1.5M they have advertised and promised on 2000. They cannot guarantee Internet speeds, of course, but they can establish network peering points to accept traffic and maintain appropriate quality within their own network, as they promised to do in 2000. SBC's own ISP doesn't maintain that service for incoming traffic - the best argument I know for multiple independent ISPs. Otherwise, the telcos should run corrective ads and pay fines large enough to notice.

Will SBC, Verizon, and BellSouth deliver significantly more broadband if they are deregulated? Ask them, and if they can't say yes, then how the heck can you justify the entire proposal? BellSouth is already going to 78% coverage in 2002, and before Powell became chair SBC announced 80%, and Verizon announced 90% for 2002. In reality, SBC & Verizon virtually stopped deploying in Powell's term, and are unlikely to even meet their previous goals.

Tom Tauke of Verizon made a very reasonable proposal, which DSL Prime supports. "New wires, new rules" - that sharing requirements not be extended to new DLCs. Instead, the signals can be shared in the central office, which is less expensive for all concerned. The price has to be fair, of course. Key factor is quality, for all the reasons above. A non-blocking DLC, which supports video at 7-26 meg, costs almost the same, installed, as a lesser unit. If the competitors can't run directly over the wires from the CO, the network can and should be configured to give them the same reliability and quality of service.

This is important for voice over DSL and IP, video, distance learning, telemedicine, etc