

- Private entities have brought mobile telecommunications and broadband services to many households, businesses and locations in the state, *but significant gaps remain*.
- A new level of *creative and innovative strategies* (including partnerships and collaborations among and between state entities, nonprofit organizations, municipalities, the federal government, and the private sector) is necessary to extend and complete broadband coverage in the state, and to ensure that Vermont maintains a telecommunications infrastructure that allows residents and businesses to compete fairly in the national and global economy.
- The *universal availability* of adequate mobile telecommunications and broadband services promotes the general good of the state.

In recognition of these observations, the VTA was created to facilitate the establishment and delivery of mobile voice and broadband infrastructure and services for residents and businesses throughout the State. VTA focuses on unserved and under-served areas with an overall goal of 100% broadband and 100% mobile voice/data coverage throughout the state by 2010. This includes:

- Affordable broadband access to every Vermont household capable of delivering speeds of at least 1.5 megabytes per second in one direction, and increasing speeds in the future.
- Mobile voice service available in every corner of the State
- Mobile broadband or equivalent in every community.

The Authority is designed with three guiding principles: (1) a commitment to providing the most advanced services to all Vermonters; (2) taking action to complement private sector investments; and (3) creating a sustainable model that will continue to keep Vermont on the leading edge of these services.

II. OPPORTUNITY FOR THE FCC TO ADDRESS NATIONWIDE PROBLEM, EPITOMIZED IN VERMONT

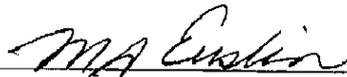
While there is much that the VTA is doing concerning broadband deployment in Vermont, there are many areas, such as spectrum decisions, where jurisdiction lies with the FCC

and not the states.. Historically, spectrum decisions made by the FCC have resulted in significant advancements for the common good. But the market effects of many of these decisions continue to benefit the most densely populated, high economic return areas of the country. Selected Vermont households in towns and villages have access to some form of broadband today, however most rural households do not as major broadband providers are challenged by the economics of such deployments. The positive economics and competitive pressures of serving populated versus rural areas have created a “Digital Divide”. The “Digital Divide” expands as demands for bandwidth increases on an exponential basis. The impact from the lack of broadband service and the expansion of this “Digital Divide” affects Vermont in many ways: (1) economic progress in unserved areas is significantly deterred (2) businesses must live with the reality that a part of their workforce does not have modern-day communication tools, (3) Vermont educators and parents cannot count on every student having high-speed access to learning materials on the Internet, and (4) Vermont emergency and health services, especially in rural unserved areas, have limited or no communication capabilities.

This expansion of the “Digital Divide” will continue unless the FCC recognizes this issue and employs actions that directly target its elimination. The VTA believes that this ruling regarding the 2155-2175 MHz spectrum may be the perfect opportunity to align a less than perfect spectrum arrangement with innovative, well financed plans put forth by private companies such as M2Z Networks and others. To ensure that the heart of the “Digital Divide” problem is addressed, the VTA encourages the FCC to require any license holder in the 2155-2175 MHz band-- as a condition of maintaining its license -- be required to provide wireless broadband services on a universal basis, within the geographic area for which the spectrum license is issued. The build out of the spectrum must be accomplished in an accelerated

timeframe, 2008-2010, with preferential treatment given to under-served and unserved areas. Additionally, rural areas need special consideration in terms of affordability and data speeds. The concept of "engineered data rates" discussed in paragraph 88 addresses both the issues of affordability and defining a minimum standard for data speeds. The goal, however, must be to increase data speeds over time to ensure that today's under-served and unserved customers, when connected to the network, remain viable relative to tomorrow's application demands. These requirements are in addition to the requirements specified in FCC 07-164 paragraphs 86-91. The VTA would welcome the opportunity to work with these new players as we do with the existing players to accelerate the deployment of broadband services to the unserved and underserved areas of Vermont.

Respectively submitted,


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