

Dear FCC, As the President and CEO of a local Internet Service Provider, KCnet, Inc., it is refreshing to see the federal government taking broadband deployment seriously.

KCnet, Inc. has been providing internet access since 1995. During that time we've seen countless competition come and go. We were there when Americans first made the move to the Internet and we've been there as they are now moving to high-speed broadband service.

Unfortunately, far too many Americans are left without the opportunity to receive broadband services. These consumers suffer because either the incumbent phone or cable monopolies refuse to build their networks out to serve them because of profitability issues or the consumer is located in a geographical area that makes delivery of alternative methods of broadband like wireless, cellular, or satellite unfeasible.

As you are already well aware, the inability for these consumers to receive broadband services hurts economic development and leaves the consumer behind in educational innovations.

Having been in the Internet Service field for over 15 years, I believe the only viable, long-term solution to bridge the digital divide is to embrace the very plans our country has embraced twice in the past to meet the growing needs of commerce.

When the advent of the telephone emerged, the government quickly realized its benefits and moved to force the nation's largest telegraph provider, Bell Telephone, to build out their network to serve all consumers, regardless of where they lived. To do this, they granted Bell, now At&t, a monopoly and helped subsidize their build out through taxes and regulatory fees. Today, although their monopoly status as the Incumbent Local Exchange Carriers (ILECs) has become more of a duopoly splitting consumers with local cable monopolies they have made little effort to serve customers they do not deem as profitable.

Thousands of independent Internet service companies like mine and thousands of Competitive Local Exchange Carriers (CLECs), created as a result of the 1996 telecommunication act, are left to try and fill the broadband void created by these monopolies. Unfortunately, investment capital is nearly

impossible to obtain. Investors and venture capitalists are unwilling to take on the entrenched, multi-billion dollar phone and cable companies.

This leaves these companies to rely on open spectrum wireless alternatives to provide broadband to these underserved consumers, which unfortunately is nowhere near reliable enough, nor fast enough, to meet the expectations of today's consumer. We're being asked to do far too much with far too little.

During the past administration the FCC released ILECs from having to provide wholesale access to broadband infrastructure. Likewise, the FCC has continued to exempt the cable monopolies the same wholesale requirements. Both Presidents Franklin Roosevelt and Dwight Eisenhower recognized that in order to foster interstate commerce, the federal government needed to come up with a plan to build an interstate highway system. "Together, the united forces of our communication and transportation systems are dynamic elements in the very name we bear - United States. Without them, we would be a mere alliance of many separate parts." President Dwight D Eisenhower, Feb. 22, 1955.

I believe, through my many years of experience in this industry, that the only way we can hope to bridge the broadband divide and create the type of next generation, high-speed network that will meet the growing bandwidth demands of our modern society, providing such essential services as telecommuting, communications, and entertainment, that the federal government needs to embrace a two-tiered broadband infrastructure. One that creates a virtual monopoly of the physical infrastructure that carries services provided by thousands of independent companies to the very doorstep of every consumer.

Having one company, regulated by the FCC, that provides the physical infrastructure will be in a financially guaranteed position to deploy Fiber to the Home (FTTH) for all American consumers and businesses and to improve upon that network as technologies evolve. It would create a fair system in which all service companies, whether they are AT&T, Time Warner Cable, or KCnet, are able to compete on service and support, which in turn will provide consumers with lower costs and increased services.

Wireless broadband alternatives are simply incapable of meeting the demands

of future broadband needs. We must have a stable, regulated physical fiber-based infrastructure that connects every home and business just like the interstate highway system does today.

Thank you,  
James C. Nelson  
President  
KCnet, Inc.