



**Commonwealth of Pennsylvania
Broadband Stimulus Initiative**

Federal Communications Commission (FCC)

**Washington, DC
May 6, 2009**

Attendees

Commonwealth of Pennsylvania

- Naomi Wyatt, Secretary of Administration; Governor's Office of Administration
- Brenda Orth, Chief Information Officer; Governor's Office of Administration
- Rebecca Bagley, Deputy Secretary for Technology; Department of Community & Economic Development
- Luc Miron, ARRA Broadband Project Manager; Governor's Office of Administration



Commonwealth Broadband Initiatives

Chapter 30 Amended by Act 183 of 2004

▶ Pennsylvania Background

Pennsylvania Background

- Most aggressive rural broadband deployment program in Nation according to United States Internet Association
- \$193 million in total cumulative local rate increases from 2005-2008 to fund broadband deployment
 - Projected rate increases in place of \$98 million for 2009 alone
 - Rate increases are continuing into the future
- “Shovel ready” unmet aggregate demand stemming from state broadband initiatives
- US Census: 3rd largest rural population behind TX and NC; 3rd largest elderly population over age 65 behind FL and WVa

▶ Pennsylvania Chapter 30

- Pennsylvania Chapter 30 originally enacted in 1993 to achieve early deployment of universally available state-of-the-art broadband network in Pennsylvania, re-enacted in new form in November 2004 (Act 183)
- Authorized several ambitious initiatives that substantially increase investment in Commonwealth telecommunications infrastructure
- Act 183 has enabled the acceleration of deployment of broadband facilities and services in Pennsylvania by:
 1. Establishing a deployment timetable for ILECs monitored and enforced by the Pennsylvania PUC;
 2. Providing financial assistance to school districts to ensure that every school in the Commonwealth has access to broadband (E-Fund”);

▶ Pennsylvania Chapter 30

- Act 183 has enabled the acceleration of deployment of broadband facilities and services in Pennsylvania by:
 3. Establishing a broadband outreach and aggregation funding mechanism;
 4. Requiring a statewide inventory and mapping of availability of telecommunications services;
 5. Creating a mechanism for state economic development agency to “trigger” accelerated broadband deployment;
 6. Special program with mandated deployment upon achieving agreed-upon threshold of committed customers (statutorily imposed “business case”)

▶ Regulatory Issues

Regulatory Issues

- Pennsylvania is net contributor to the federal USF at a level of \$125 - \$135 million annually
- Implementation of extensive intrastate carrier access charge reforms at corresponding high cost
- As a net contributor to the federal USF, PA already supports deployment of broadband facilities in other states



Pennsylvania Comments

National Broadband Strategy & ARRA Recovery Act

For Consideration by FCC

Update on Activities

- Responses to FCC solicitation (GN Docket 09-29) and joint NTIA/RUS RFI
- Intra-agency coordination – Governor’s Office, Office of Administration, DCED, PUC, DGS, Health, Education, others
- Discussions with telecommunications carriers and coordination with interested stakeholders
- Public meetings in rural PA
- Development of plan / prospective NTIA (BTOP) application
- Identification of potential ‘shovel ready’ projects
- Updates to state mapping inventory

▶ Pennsylvania Guiding Principles

Building Blocks for Success (“Guiding Principles”)

- Unserved
- Underserved
- Affordability
- Technology neutral (agnostic) provisioning
- Competition & Choice
- Partnerships (local; public-private)
- Community champions
- Public resource allocation in support of goals (where possible)
- Programmatic Integration – health care, public safety, education
- Policy Considerations & Program Improvements

▶ National Strategy Consideration

National Broadband Strategy Considerations

- Definition of "broadband"
 - ~ Consideration of existing state regulatory frameworks
 - ~ PA statutory definition = 1.544 MB down / 128 kbps up
 - ~ One ILEC has modernization plan with downstream speed in range of 44MB

- Importance of State's Role
 - Alignment with state plan and priorities
 - Knowledge of local conditions, mapping, partners, resources, etc

▶ National Strategy Consideration

National Strategy Considerations

- Implementation of state “mapping” programs
- Considerations include
 - ~ Consistency in data collection across states
 - ~ Interoperability and coordination with existing state mapping efforts
 - ~ Granularity of data
 - ~ Proprietary concerns
 - ~ Frequency of reporting and sustainability of mapping efforts and future upkeep
 - ~ Enforcement
 - ~ Federal data collection efforts (Form 477)

Discussion Items

Wireless broadband deployment

- ARRA discussions are mostly focused on residential and commercial availability
- Recognize emergence of hand-held devices and mobile applications
- Important for economic development, public safety, tourism, quality of life

Discussion Items

Competition & Choice

- Business case may not always allow for multiple providers and/or multiple broadband access technologies and services, e.g., landline telecommunications, CATV, wireless, broadband over power lines, etc.
- Shared or neutral collocation facilities, common infrastructure, and potentially common carriage requirements under pre-existing and applicable federal (e.g., Telecommunications Act of 1996) and state law.
- Usage of state or federal infrastructure (e.g. towers) as a means of accelerating deployment and extending reach of network

Discussion Items

Inter-Agency Recommendations (GN Docket 09-29)

- Interagency broadband task force comprised of FCC, Commerce/NTIA, USDA/RUS, GAO, HHS, Energy, Transportation, and law enforcement agencies to ensure coordination across agencies
- Creation of a federally-funded projects database of infrastructure projects - trenching, permitting, avoidance of future disruptions
- Coordination of federal applications and guidelines for consistency ("single application")
- Publication of inventory of available programs – leverage and extend resources

> Open Discussion or Questions

