

With regard to Docket # 09-158, in which the FCC seeks to “ask questions about the information available to consumers at each stage of the purchasing process: (1) choosing a provider, (2) choosing a service plan, (3) managing use of the service plan, and (4) deciding whether and when to switch an existing provider or plan for all communications services, including wireline voice and wireless services, as well as broadband and subscription video (cable and satellite)” I would like to report that residents of communities in Broadlands, a section of Ashburn, Virginia have no choice in communications providers. Broadlands residents are locked into a contract with a company called Open Band, which is owned by Van Metre, the company which developed the Broadlands community. The contract has approximately 65 years left until it expires. The contract must be signed by all new residents to the community as part of their home owner’s association agreement, and new residents are not permitted to purchase homes in the area without signing the agreement.

The contract currently requires all residents to pay \$149.00 per month to Open Band in exchange for television, internet, and phone service. If a resident of Broadlands was unhappy with the service provided by Open Band and wanted to switch to another provider, the resident would still be required to pay the \$149.00 per month to Open Band even if no services were rendered.

The \$149.00 per month includes a standard definition cable box, fiber optic internet connection, and a VoIP phone. Upgrades, such as voicemail, caller ID, call waiting, and Hi-Definition cable boxes are extra. With three H-Definition cable boxes and voicemail/caller ID/call waiting package, my bill comes to \$210.88 per month and does not include any premium channels such as HBO or any pay-per-view channels. I can obtain the services I receive from Open Band for approximately \$135.00 per month from other providers. However, if I were to switch provider, I would still be required to pay Open Band a minimum of \$149.00 each month, so I am effectively locked in to Open Band for the next 65 years because I cannot afford to pay two providers.

As a result of having every one of their customers locked in via contract, Open Band has failed to keep up with other providers’ offerings in terms of channels and picture quality. They have no incentive to improve their offerings because none of their customers can switch providers and, because Open Band exclusively serves Van Metre communities, they cannot gain any additional customers.

The Van Metre / Open Band relationship represents a gross conflict of interest which limits consumer choices and leaves consumers at the mercy of a corporate giant. Not only does Van Metre own Open Band, Open Band kicks back 8% of each \$149.00 monthly fee to Van Metre, and 12% of anything over the \$149.00. Van Metre maintains a controlling stake in the Broadlands Home Owner’s Association to prevent the homeowners from demanding a new provider. The Home Owner’s Association must pay the \$149.00 monthly fee for each house that remains vacant in the community. The business plan is simple from Van Metre’s standpoint: develop land and sell properties, then lock in all future residents to your subsidiary to secure a reliable revenue stream. The cost to serve the customers is low since you have no incentive to remain competitive

in the marketplace and your marketing cost is zero since all of your customers have no alternative to your services.

As Open Band continues to fall further behind other providers, the residents of Broadlands will be more and more limited in their access to the digital services that are critical to everyday life. The solution to the problem is simple: free the residents from the burden of having to pay Open Band each month even if they are not using their services. This will introduce competition into the current monopoly environment. Competition forces companies to provide the best value to their customers. The best companies will thrive, and consumers will have access to the services they need at a price they can afford.

Thank you for taking the time to read and consider this.