

New Networks

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July 24th, 2013

DOCKET 13-150

THERE IS AN ACTIVE SHOW CAUSE ORDER IN NEW JERSEY FOR FIBER OPTIC UPGRADES BY VERIZON OF THE ENTIRE STATE – INCLUDING ALL TOWNSHIPS HARMED BY SANDY – TO BE COMPLETED BY 2010.

THE FCC MUST, BEFORE IT CAN TAKE ANY ACTION, INVESTIGATE WHETHER VERIZON HAD PREVIOUS COMMITMENTS TO SUPPLY FIBER OPTIC SERVICES TO ALL TOWNSHIPS, INCLUDING THOSE HARMED BY SANDY—THEY SHOULD NEVER HAVE BEEN ON COPPER!

In April, 2012, the New Jersey Board of Public Utilities issued a show cause order asking Verizon why it had not fulfilled its obligations under state law to replace the existing copper wiring with a fiber optic service capable of 45 Mbps in both directions – and to be completed by 2010.

Two small towns, who had chronic problems with phone service, had not been upgraded and this show cause order is still in effect.

The FCC must examine this issue before it can take any action that would harm the rights of every township in New Jersey to be upgraded to fiber optic services.

Verizon collected an estimated \$15 billion dollars and the construction was built into rate increases.

http://www.huffingtonpost.com/bruce-kushnick/broadband-wars-the-battle_b_1541089.html

Broadband Wars: The Battle for New Jersey Has Begun

The battle for America's entire communications future is playing out this week in two small towns in New Jersey.

On May 9, the New Jersey Board of Public Utilities (BPU) held a hearing in [Greenwich](#), a small town in Cumberland County in New Jersey. For years, residents and small businesses in Greenwich and another small town, Stow Creek, have had major service quality issues. Phone lines would go out not just for days, but for weeks. And when they worked, there was sometimes noise on the line. The town only has a smattering of available DSL service, poor wireless reception and no cable service.

New Networks

Yet under state law, known as Opportunity New Jersey, 100% of the state was supposed to have been upgraded by now, with the copper wiring of the Public Switched Telephone Networks replaced with fiber optic services capable of 45 Mbps in both directions.

On March 12, the New Jersey Board of Public Utilities, with the help of Senator Jeff Van Drew, issued a ['show cause' order](#) asking Verizon to explain why they failed to wire 100% of their territories with 45 mbps services, as they had promised.

The underlying principal of Opportunity New Jersey is that these upgrades were "essential" to the economic growth of the state. Indeed, since that time there have been countless studies showing how high speed broadband and competition could drive the economies, and help the citizens of rural America. Phone companies including Verizon were able to exact more money -- lots more money -- in the form of higher phone charges and tax perks, to fund this upgrade.

Verizon has [responded](#), and [responded](#) to the show-cause order, claiming that it has fulfilled every obligation, that it has exceeded the plan -- with 100% of its "central offices" completed with "broadband." But in fact, Verizon now claims that any speed, including DSL, is really broadband -- even though DSL was considered inferior by Verizon in 1992. Also, Verizon claims 100% was always a goal, not a requirement. And Verizon claims to have lost 50% of their access lines as well as had financial losses since 2007, which "ballooned" in 2009.

See the blow by blow of what Verizon wrote and [we how we responded](#) -- and you can see just how the phone company can make commitments, then renege, and then claim that they're actually the victim -- though, as we point out, it seems that they use half-truths or outright deception.

Why should you care? In virtually [every Verizon and AT&T \(and formerly Qwest\) state](#) the companies received billions of dollars in excess phone charges and tax perks to upgrade the state's Public Switched Telephone Networks. In some states, the entire state, as well as schools, libraries and hospitals were supposed to have the old copper wiring replaced with fiber optics.

The big question now is: What will the State of New Jersey actually do? Or more to the point, what will it not do?

Some expect the utilities board to simply ask Verizon to make a few basic fixes for these two small towns -- and effectively give Verizon a pass on meeting all of it previous obligations pertaining to wireline service.

But if the state backs down, that would mean that Verizon would not have to upgrade about half the state. Verizon would no longer have to wire anyone they don't want to.

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(Indeed, their plan is to put people on wireless, which as we previously wrote, is not a substitute.)

Will the BPU actually do the right thing and hold the companies accountable? Or have these two towns been used as pawns so that Verizon can stop wireline services in the state -- and eventually the rest of the country?