

telecommunications capability – is achieved.”⁹³ The Commission has repeatedly reiterated and elaborated on this point.

For example, in its *Cable Modem Declaratory Ruling*, the Commission stated that, “consistent with statutory mandates, the Commission’s primary policy goal [under Section 706] is to ‘encourage the ubiquitous availability of broadband to all Americans.’”⁹⁴ Similarly, in its *Sixth Broadband Deployment Report*, the Commission stated that, “We recognize that ensuring universal broadband is the great infrastructure challenge of our time and deploying broadband nationwide – particularly in the United States – is a massive undertaking.”⁹⁵ Likewise, in the National Broadband Plan, the Commission recognized that “Broadband is *the* great infrastructure challenge of the early 21st century.”⁹⁶

In sum, enabling municipalities to compete with providers of telecommunications services would have been desirable, but it was not an essential or urgent national priority. In contrast, Congress’s urgent national goal of ensuring that all Americans have reasonable and timely access to advanced telecommunications capabilities cannot be met without the active participation of municipalities and other public entities.

2. The Commission’s pro-active role under Section 706 is fundamentally different from its reactive role under Section 253

Another important difference between Section 253 and Section 706 is that Congress assigned the Commission very different roles in implementing these provisions. In Section 253,

⁹³ *Verizon*, 740 F.2d at 639 (quoting S. Rep. No. 104-23, at 50-51) (emphasis added).

⁹⁴ *Cable Modem Declaratory Ruling*, 17 FCC Rcd. at 4801, ¶ 4, 2002 WL 407567 at *1 (quoting Section 706).

⁹⁵ *Sixth Broadband Deployment Report*, 25 FCC Rcd. 9556, 9560, ¶ 6, 2010 WL 2862584, *2 (rel. July 20, 2010).

⁹⁶ See *National Broadband Plan* at 3 (emphasis in original), available at <http://transition.fcc.gov/national-broadband-plan/national-broadband-plan.pdf>.

Congress envisioned an essentially reactive role for the Commission – *i.e.*, the Commission waits for an allegedly aggrieved entity to file a petition for preemption, and then, after giving the public an opportunity to comment, decides whether the state or local measure in question violates Section 253. In contrast, Section 706 expressly requires the Commission to act aggressively and pro-actively in rooting out and taking immediate steps to remove barriers to broadband investment and competition. This distinction, too, indicates that Congress considered the goals of Section 706 to be significantly different and more urgent than those of Section 253.

3. Congress addressed the relationship between the Commission and the States in substantially greater detail in Section 706 than it did in Section 253

Section 706 also differs significantly from Section 253 in its treatment of the relationship between the Commission and the States. According to the *Nixon* Court, the text and legislative history of Section 253 does not clearly indicate whether Congress intended the term “any entity” to apply to public entities. In contrast, in both the language and legislative history of Section 706, Congress carefully laid out the respective roles of the Commission and the States and left no room for doubt that it intended the Commission to preempt States in the circumstances present here.

In Section 706(a), Congress required both the Commission and the States to encourage the deployment of advanced telecommunications capability on a reasonable and timely basis. It also directed both the Commission and the States to use all measures and regulating methods at their disposal to remove barriers to broadband investment and competition.⁹⁷ In Section 706(b), Congress required the Commission, and the Commission alone, to make regular studies and reports of the status of broadband deployment across the United States and to take immediate

⁹⁷ 47 U.S.C. § 1302(a).

action to remove barriers to broadband investment and competition if it found that deployment was not occurring on a reasonable and timely basis.

For the purposes of both Sections 706(a) and 706(b), the Commission is responsible for defining the key terms, including “advanced telecommunications capabilities” and “reasonable and timely,” for determining what actions or conditions constitute “barriers to infrastructure investment,” and for deciding what steps are necessary and appropriate to take to remove such barriers. Furthermore, as Congress made clear in the Joint Conference Report accompanying the Telecommunications Act, the Commission had authority to preempt States that, in the Commission’s view, were not acting rapidly enough to ensure reasonable and timely deployment.⁹⁸

As the legislative history also shows, in enacting Section 706, Congress was well aware of the critical role that municipalities could play in ensuring that all Americans would have access to advanced telecommunications capabilities on a reasonable and timely basis, particularly in areas that are unserved or underserved by the private sector. For example, as discussed above, in the hearings on what was to become the Telecommunications Act of 1996, the Senate Committee on Commerce, Science and Transportation heard testimony about Glasgow, Kentucky’s provision of advanced telecommunications capabilities long before the private sector did so:

We wired the public schools, providing a two-way, high-speed digital link to every classroom in the city. We are now offering high-speed network services for personal computers that give consumers access to the local schools’ educational resources and the local libraries. Soon this service will allow banking and shopping from home, as well as access to all local government information and data bases. We are now providing digital telephone service over our system.

The people of Glasgow won’t have to wait to be connected to the information superhighway. They’re already enjoying the benefits of a two-way, digital,

⁹⁸ H.R. Conf. Rep. No. 104-458, 104th Cong, 2d Sess., 1996 U.S.C.C.A.N. 10, 182-183, 1996 WL 46795 (Jan 31, 1996).

broadband communications system. And it was made possible by the municipally owned electric system.⁹⁹

Later in the hearing, Senator Lott acknowledged the benefits of Glasgow's broadband communication system and promised to "make sure we have got the right language to accomplish what we wish accomplished here."¹⁰⁰ As Senate manager of the Telecommunications Act, Senator Lott's statement is entitled to substantial weight in interpreting the Act.¹⁰¹ In Section 706, Congress did indeed develop "the right language" to ensure that municipalities would be able to contribute to bringing advanced communications capabilities to all Americans on a reasonable and timely basis, particularly in unserved and underserved areas.

4. *Gregory* does not apply here because this matter does not involve any traditional or fundamental State powers

The *Nixon* Court found that the term "any entity" in Section 253(a) should not be read to cover public entities because it did not meet the "plain statement" standard prescribed by *Gregory v. Ashcroft*. The *Nixon* Court found that Congress had not clearly intended to allow preemption under Section 253 for the benefit of municipal utilities, as "neither statutory structure nor

⁹⁹ See Testimony of William J. Ray, Superintendent, Glasgow Electric Plant Board, Glasgow, KY, on Behalf of the American Public Power Association, Hearings on S.1822 Before the Senate Committee on Commerce, Science, and Transportation, 103d Cong., 2d Sess. at 355-56, 1994 WL 232976 (May 11, 1994) (emphasis added).

¹⁰⁰ See *id.* at 379, 1994 WL 232976.

¹⁰¹ *Lewis v. United States*, 445 U.S. 55, 63 (1980) ("Inasmuch as Senator Long was the sponsor and floor manager of the bill, his statements are entitled to weight."); *Federal Energy Admin. v. Algonquin SNG, Inc.*, 426 U.S. 548, 564 (1976) ("As a statement of one of the legislation's sponsors, this explanation deserves to be accorded substantial weight in interpreting the statute"); *Schwegmann Bros. v. Calvert Distillers Corp.*, 344 U.S. 384, 394-95 (1951) ("The fears and doubts of the opposition are no authoritative guide to the construction of legislation. It is the sponsors that we look to when the meaning of the statutory words is in doubt.").

legislative history points unequivocally to a commitment by Congress to treat governmental telecommunications providers on par with private firms.”¹⁰²

In *Gregory*, the Supreme Court had set forth the relevant standard for determining whether Congress intended to preempt state laws involving “traditional” or “fundamental” State functions. In such cases, the Court said, an agency or court must find that Congress made a “plain statement” to that effect.¹⁰³ This does not require that the legislation mention the power explicitly.¹⁰⁴ Rather, the intention need only “be plain to anyone reading the Act that it covers [that issue].”¹⁰⁵

Properly analyzed, *Gregory* and *Nixon* do not apply here because preemption in this case would not affect any traditional or fundamental State power. As an initial matter, this case is very similar to *City of Arlington v. Federal Communications Commission*.¹⁰⁶ In that case, federal law required states to act upon requests for permission to site wireless facilities “within a reasonable period of time after the request is duly filed.” After the Commission interpreted this phrase to mean within 90 days or 150 days, depending on the type of request, some of the petitioners for review argued that the Commission had improperly injected itself into matters that were of “traditional state and local concern.” The Supreme Court rejected this argument, holding that the case “ha[d] nothing to do with federalism.” Rather, the Court found that Congress had already

¹⁰² *Nixon*, 541 U.S. at 140-41.

¹⁰³ *Gregory v. Ashcroft*, 501 U.S. 542, 467 (1991).

¹⁰⁴ *See id.*

¹⁰⁵ *See id.*

¹⁰⁶ *City of Arlington v. Federal Communications Comm’n*, 133 S. Ct. 1863 (2013).

supplanted state authority on such issues and that the Commission's interpretation of the law was nothing more than "draw[ing] the line to which [the States] must hew."¹⁰⁷

Here, Section 706(a) requires both the Commission and the States to encourage the deployment of advanced telecommunications capability to all Americans on a reasonable and timely basis and to use all means at their disposal to remove barriers to broadband investment and competition. The Commission is solely responsible for defining the relevant terms and standards. Furthermore, as the legislative history of Section 706 makes clear, the Commission has authority to preempt States that it believes are acting too slowly to fulfill their duties under Section 706(a). If the Commission can preempt States failing to act forcefully enough in encouraging rapid deployment of advanced telecommunications capabilities, the Commission can surely preempt States that are actively *blocking* broadband investment and competition. Indeed, the Commission is directed to do so "immediately" under Section 706(b).

Second, this case does not involve "federal legislation threatening to trench on the States' arrangements for conducting their own governments."¹⁰⁸ Through its enactment of Tenn. Code Ann. §§ 7-52-401 and 7-52-601, the Tennessee General Assembly has allowed municipal utilities to provide the full range of communications services, including telecommunications services, broadband Internet access, video programming, and other advanced services. While the territorial restriction in Section 601 prohibits municipal utilities from providing broadband Internet access and video programming service outside their electric service territories, Section 401 allows municipal utilities to provide *telecommunications services anywhere in the state*.

This distinction is important, because the territorial restriction in Section 601 cannot be justified as necessary to prevent municipal utilities from burdening surrounding areas with their

¹⁰⁷ See *id.* at 1873.

¹⁰⁸ *Nixon*, 541 U.S. at 140.

infrastructure, to protect municipal utilities from exceeding their areas of expertise, or even to protect the interests of taxpayers or utility customers. In fact, the facilities that would be used to provide broadband Internet access and video programming service outside a municipal utility's electric service area would be *the very same facilities* that they would use to provide authorized telecommunications services.

In short, the territorial restriction in Section 601 has nothing to do with “traditional” or “fundamental” State powers or, as the *Nixon* Court put it, with any State “arrangements for conducting their own governments.” Rather, the restriction is a purely commercial measure intended to protect certain established providers of communications services from competition, even in extremely rural areas in which they are not currently providing – and may never provide – advanced telecommunications capabilities that meet the Commission’s minimum standards. This is certainly not the government interest that *Gregory* and *Nixon* sought to protect, especially at the expense of the businesses, institutions, and residents in the unserved or underserved areas at issue for whose benefit Congress enacted Section 706.

5. If *Gregory* were applied here, Section 706 would meet its “plain statement” standard

Assuming, without conceding, that *Gregory* applies here, Section 706 clearly meets its “plain statement” standard. First, in contrast to Section 253, which focuses on barriers to entry affecting individual competitive entrants – “any entity” – Section 706 on its face broadly charges the Commission with responsibility for ensuring that “all Americans” receive reasonable and timely access to advanced telecommunications capabilities. While the term “all” may have different meanings in different contexts, there can be no doubt that Congress meant Section 706 to cover each and every American. There is really no other way to read that term, and nothing elsewhere in the Telecommunications Act or its legislative history suggests that a narrower

interpretation would be appropriate. For proof this, one need only ask, “What Americans could Congress have intended to exclude?” Certainly not those Americans living in unserved or underserved rural areas like the ones just outside EPB’s electric service territory, where residents are clamoring for the advanced telecommunications capabilities and gigabit services that EPB would provide them if the Commission removes the territorial restriction of Section 601.

Second, the stated purpose of Section 706 is to ensure that all Americans have access to advanced telecommunications capabilities on a reasonable and timely basis, as determined by the Commission. As discussed above, Congress considered this to be one of the primary goals of the Telecommunications Act, and the Commission has repeatedly recognized that “universal broadband is the great infrastructure challenge of our time and deploying broadband nationwide – particularly in the United States – is a massive undertaking.”¹⁰⁹ As Congress must surely have understood, and as this proceeding will confirm, that challenge cannot be met without the participation of municipal entities. That is particularly so in unserved or underserved rural areas like the ones just outside of EPB’s service area, where the private sector is not currently providing – and may never provide – advanced telecommunications capabilities that meet the Commission’s minimum standards.

Third, as also discussed above, the pro-active role that Congress assigned to the Commission in Section 706, in contrast to the largely reactive role that it prescribed in Section 253, further reinforces the conclusion that Congress intended the Commission act aggressively to identify and immediately remove *all* barriers to broadband investment and competition, wherever the Commission may find them, including barriers such as the territorial restriction in Section 601. Congress’s grant of broad authority to define the relevant terms, standards, and remedial

¹⁰⁹ *Sixth Broadband Deployment Report*, 25 FCC Rcd. 9556, 9560, ¶ 6, 2010 WL 2862584, *2 (rel. July 20, 2010).

approaches -- limited only by the constraint that the Commission act “in a manner consistent with the public interest, convenience, and necessity” – reaffirms that Congress did not intend to tie the Commission’s hands in removing barriers to broadband investment and competition like the territorial restriction in Section 601.

The structure of Sections 706(a) and 706(b), particularly their allocation of responsibilities between the Commission and the States, provides yet another clear indication that Congress intended to grant the Commission ample authority as well as the duty to find and immediately remove barriers to broadband investment and competition such as Section 601. So does the legislative history of Section 706, especially Senator Lott’s recognition of the key role that municipalities can play in meeting the goals of the Telecommunications Act and the Joint Conference Report’s confirmation that the Commission has authority to preempt States that drag their feet in fostering reasonable and timely deployment of advanced telecommunications capabilities.¹¹⁰

In sum, the language, purposes, structure, and legislative of Section 706 all confirm that Congress authorized the Commission to preempt State barriers to municipal broadband investment and competition, including the territorial restriction in Section 601.

6. The *Nixon* Court’s hypotheticals are irrelevant in this matter

In *Nixon*, the Court resorted to hypotheticals only because “concentration on the writing on the page does not produce a persuasive answer.”¹¹¹ Here, as shown above, the language, purposes, structure, and legislative history of Section 706 all do provide a persuasive answer – that Congress intended to authorize the Commission to preempt State barriers to municipal

¹¹⁰ H.R. Conf. Rep. No. 104-458, 104th Cong, 2d Sess., 1996 U.S.C.C.A.N. 10, 182-183, 1996 WL 46795 (Jan. 31, 1996).

¹¹¹ *Nixon*, 541 U.S. at 132.

broadband investment and competition, such as the territorial restriction in Section 601. Simply put, Congress did not intend the Commission to sit idly by when faced with such a “paradigmatic barrier to infrastructure investment,” as Judge Silberman would later put it. It follows that resort to the *Nixon* hypotheticals, or any other extraneous means of gleaning Congress’s intent in enacting Section 706, would be inappropriate here. That is all the more so because, as the Court found in *Salinas v. United States*, 522 U.S. 52 (1997), “[a] statute can be unambiguous without addressing every interpretive theory offered by a party. It need only be ‘plain to anyone reading the Act’ that the statute encompasses the conduct at issue.”¹¹²

V. CONCLUSION

For all of the foregoing reasons, the Commission should preempt and declare unenforceable the words “within its service area” in Tenn. Code Ann. § 7-52-601.

Respectfully Submitted,



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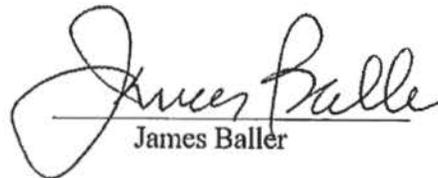
¹¹² *Salinas*, 522 U.S. at 59-60 (quoting *Gregory*, 501 U.S. at 467).

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Counsel for the Electric Power Board
of Chattanooga, Tennessee

VERIFICATION

I, James Baller, Senior Principal of the Baller Herbst Law Group, PC, under oath, and under penalty of perjury, declare that I have read the foregoing submission and to the best of my knowledge, information and belief formed after reasonable inquiry, it is well grounded in fact and is warranted by existing law or a good faith argument for the extension, modification or reversal of existing law; and that it is not interposed for any improper purpose..


James Baller

July 24, 2014

Date

VERIFICATION

I, Harold DePriest, President and Chief Executive Officer of the Electric Power Board of Chattanooga, Tennessee, declare under penalty of perjury that the facts set forth in the foregoing petition are true and correct to the best of my knowledge and belief.

Executed this 22nd day of July, 2014.

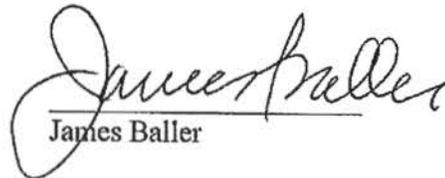


Harold DePriest

CERTIFICATE OF SERVICE

I, James Baller, certify that on July 24, 2014, I caused a copy of the forgoing
Petition to be served by registered U.S. Mail, postage prepaid, on:

The Honorable Robert E. Cooper, Jr.
Attorney General and Reporter for the State of Tennessee
Office of the Attorney General and Reporter
P.O. Box 20207
Nashville, TN 37202-0207


James Baller

Areas Unserved and Underserved by Broadband

Eastern Tennessee

Updated April 1, 2014



As required by the US Department of Commerce's State Broadband Initiative, if broadband service is available to at least one household in a census block, then for mapping purposes, that census block is reported to have some level of broadband availability. As such, broadband availability at an exact address location cannot be guaranteed. Providers supplying more specific data than census block are displayed as such.

This map represents areas of broadband service availability determined by receiving, in-depth technical analysis of provider coverage and accommodations for the impact of external factors on service quality. Satellite broadband services may also be available.



Symbology

- County Boundary
- Water
- Broadband of at Least 1 Gbps
- Unserved Areas
- Underserved Areas
- Broadband Available at Least 3M/768K

Unserved areas are those that do not have access to broadband services at speeds of at least 768 Kbps download/200 Kbps upload. Underserved areas are those that have access to broadband service at speeds of at least 768 Kbps download/200 Kbps upload, but do not meet or exceed 3 Mbps download/768 Kbps upload.

This analysis does not include mobile wireless or satellite services.

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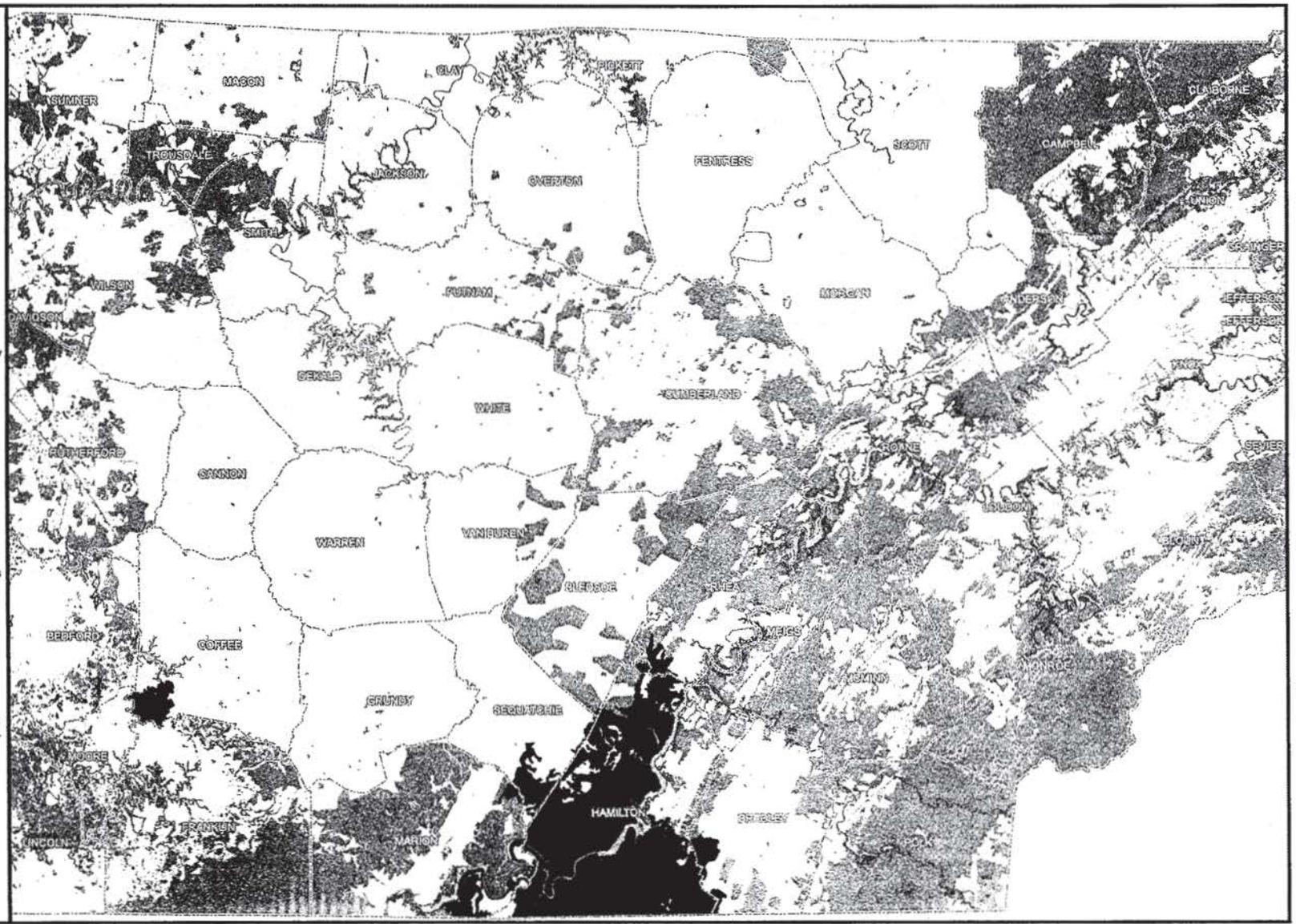
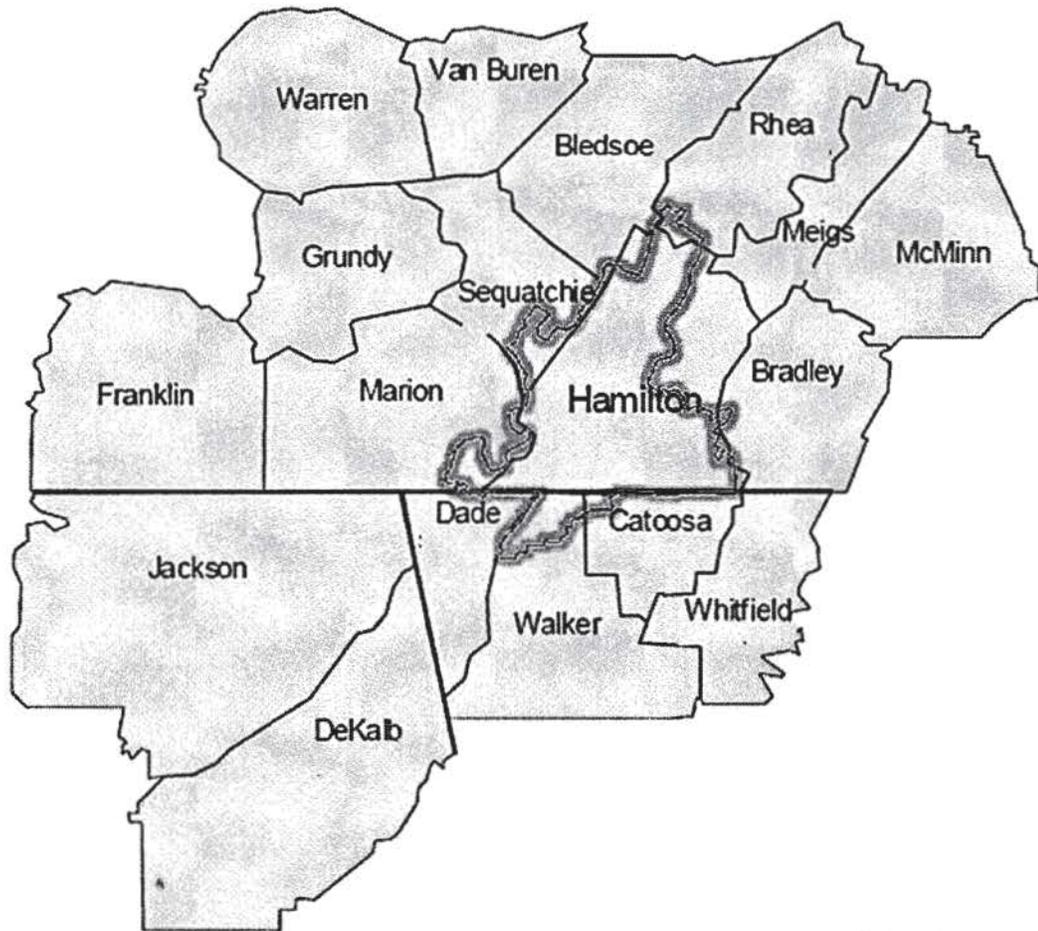


Exhibit 1 to EPB Petition Pursuant to Section 706 of the Telecommunications Act of 1996
Map showing areas unserved or underserved by broadband - Page 1

EPB Electric Service Territory



Resolution No. 96-08
(April 29, 1996)

A RESOLUTION OF THE ELECTRIC POWER BOARD OF CHATTANOOGA
AUTHORIZING THE NEGOTIATION OF A LETTER OF INTENT TO
ENTER INTO AN AGREEMENT FOR DEVELOPMENT OF A FIBER OPTIC
NETWORK AND TO CONTRACT FOR PROFESSIONAL SERVICES

WHEREAS, the Electric Power Board of Chattanooga ("EPB") makes the following findings prefatory to the adoption of this Resolution:

1. The technology available to the electric utility industry is rapidly advancing.

2. These technological advancements will likely enhance the monitoring and the control of the EPB distribution system through load control, remote switching, remote monitoring and substation automation.

3. These technological advancements will likely enhance the EPB message handling systems between EPB and its customers, regulators, wholesale power suppliers, financial institutions and neighboring utilities.

4. These technological advancements will likely present additional opportunities to provide services to EPB customers, such as remote meter reading, remote service connections and disconnections, customer load management, and interactive customer services such as real-time pricing.

5. The enhanced services accompanying these technological advancements are and will become available to EPB customers from sources outside the electric utility industry. This availability threatens to erode, interfere with or diminish certain services EPB

presently provides to its customers, and threatens to deprive EPB of the opportunity to provide additional services necessary to serve its customers in a technologically appropriate method in the future. These technological advancements also threaten to reduce the role of EPB to a mere provider of distribution lines within its service area.

6. In response to these changing conditions, EPB must begin to develop a suitable infrastructure and to develop knowledge and expertise in these areas that significantly affect the future of EPB, all to the benefit of the customers of EPB.

7. EPB has determined that the construction of a fiber optic network presents an opportunity to develop infrastructure to meet presently known needs and future anticipated needs of the EPB electric distribution system and to develop knowledge and experience in a technological field that now affects the future operations of EPB.

8. EPB recognizes the rapidly advancing technological changes in telecommunications through fiber optic network facilities and has determined that the wisest use of its assets and existing distribution system is to construct a fiber optic network that has substantial excess capacity over EPB's present needs that will be available for a considerable time in the future.

9. EPB has further determined that the most feasible way to use excess capacity of the fiber optic network is for EPB to own the fiber infrastructure but to enter into a business arrangement with a company or companies with expertise in telecommunications

and the necessary equipment to activate the fibers in the network for productive purposes.

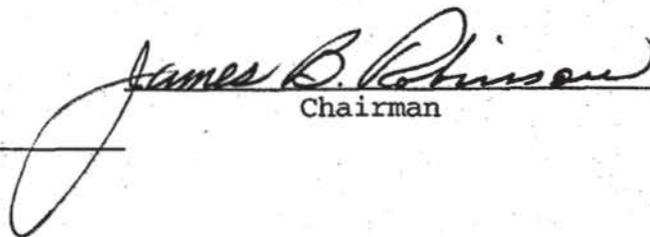
NOW, THEREFORE, BE IT RESOLVED BY THE ELECTRIC POWER BOARD OF CHATTANOOGA that:

1. The General Manager be and hereby is authorized to negotiate a letter of intent and to pursue negotiations for the development of a fiber optic network to be constructed upon existing EPB facilities and other rights-of-way or facilities available to the Electric Power Board of Chattanooga, with the letter of intent and agreement with any telecommunications company subject to final Board approval.

2. The General Manager be and hereby is authorized, but not required, to expend up to One Hundred Fifty Thousand Dollars (\$150,000) to obtain professional services, including engineering, accounting, and legal services, and the services of third-party consultants in the electric utility and/or telecommunications industries as the General Manager deems appropriate to further assess the utilization of a fiber optic network and to develop a business plan for the use of the Electric Power Board fiber optic network.

ADOPTED this 29th day of April, 1996.


Secretary


Chairman

48482.03

Resolution No. 96-09
(April 29, 1996)

A RESOLUTION AUTHORIZING THE EXPENDITURE OF
CERTAIN FUNDS FOR THE DEVELOPMENT OF A FIBER
OPTIC NETWORK

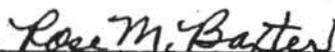
WHEREAS, the Electric Power Board of Chattanooga ("Electric Power Board") has completed its preliminary investigations into the feasibility of developing a fiber optic network for its present and future electric system needs; and

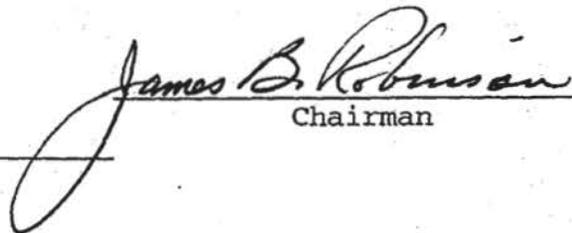
WHEREAS, the Electric Power Board has heretofore made certain findings regarding the necessity of the development of a fiber optic network for the Electric Power Board's own purposes by Resolution 96-08; and

WHEREAS, the Electric Power Board has determined that it is feasible to develop an initial fiber optic network to serve Electric Power Board facilities in and around the downtown Chattanooga area.

NOW, THEREFORE, BE IT RESOLVED that the General Manager is hereby authorized, but not required, to expend up to Three Hundred Fifty Thousand Dollars (\$350,000) to develop and construct a preliminary fiber optic network to serve the Electric Power Board facilities in and around the downtown Chattanooga area.

ADOPTED this 29th day of April, 1996.


Secretary


Chairman

48513.02

**Timeline of EPB's Development and Deployment of
Gigabit Fiber Network**

1996: EPB Board makes findings and established goals concerning EPB development of fibers network.

1997: Tennessee General Assembly enacts legislation authorizing municipal electric systems to provide telecommunications services, but did not authorize electric systems to provide Internet and video services.

1999: Over opposition from incumbent telecommunications providers, EPB obtains certificate of convenience and necessity ("CCN") to provide competitive telecommunications services in its electric service area, but Tennessee Regulatory Authority imposes conditions not applicable to other telecommunications providers.

1999: Tennessee General Assembly enacts legislation authorizing municipal electric systems to provide Internet and video services, but only within the electric systems' electric service areas.

2000: EPB obtains CCN to provide competitive telecommunications services throughout the State of Tennessee, subject to the same restrictive conditions applicable to EPB's CCN for its electric service area.

2002: EPB completes public approval process prescribed in Tenn. Code Ann. § 7-52-601 to obtain approval to offer Internet services to business telecommunications customers.

2003: EPB launches all-fiber business Internet service offering Internet speeds up to 300 times faster than traditional business Internet using standard cable, DSL, and T1 technologies.

2005: EPB decides to proceed with business planning for fiber to the home network using GPON fiber technology.

2006: EPB commissions an initial economic analysis of the economic and job creation effect of implementation by EPB of a fiber broadband network. Drs. Lobo, Novobilski, and Ghosh complete the 2006 study, "The Impact of Broadband in Hamilton County, TN", evaluating, analyzing the impacts of only the broadband service. EPB commissions updates in 2009 and 2011 analyzing the both the impacts of the broadband network and the application of the network to support the electric system Smart Grid.

2007: EPB continues deployment of transport fiber connecting EPB power delivery points and substations.

2007: EPB prepares a detailed business plan discussing technology, operational, and financing issues. The business plan financial model projected capital expenditures of \$169 Million for the electric system and \$36 Million for the communications division. The communications division is to utilize excess capacity on the electric system fiber network and will pay the electric system a proportional share of the network based, principally, on the proportion of communications customers to electric system customers.

2007: The Chattanooga City Council unanimously approves EPB's plan to deploy its Smart Grid network and to offer advanced communications services.

2007: EPB submits its business plan to the Tennessee Comptroller, pursuant to Tenn. Code Ann. § 7-52-602. The Comptroller issues his opinion confirming the feasibility of the EPB business plan.

2007: The Tennessee Cable Television Association ("TCTA") files suit in Nashville, TN seeking to prevent EPB from proceeding with financing and deployment of its fiber system. The lawsuit is dismissed in January, 2008, and the dismissal is subsequently affirmed by the Tennessee Court of Appeals in 2009.

2008: After dismissal of the TCTA suit, Comcast files suit in Chattanooga seeking to block the EPB financing and deployment of its fiber system. The Comcast lawsuit is dismissed in July, 2008, and the dismissal is subsequently affirmed by the Tennessee Court of Appeals in 2009.

2008: TVA approves EPB's plans for financing and deployment of the fiber network and approves EPB's cost allocation approach to ensure that electric system revenue will not be used to subsidize communications services.

2008: EPB issues through the City of Chattanooga \$220 Million in electric system revenue bonds to finance the \$169 Million cost of the electric system's Smart Grid fiber network and to finance other electric system improvements.

2008: EPB continues transport fiber construction and begins building the remainder of the fiber network, starting with the highest density urban neighborhoods and continuing into less densely-populated suburban neighborhoods.

2008: EPB obtains first of more than a dozen individual city or county franchises for video services.

2009: EPB is awarded a federal stimulus grant in the amount of \$111 Million from the Department of Energy. The grant is used exclusively for the electric system's Smart Grid, accelerating the build-out of the fiber network, the installation of smart meters, and the completion of other elements of the Smart Grid.

2010: Following enactment of state legislation permitting state-issued franchises for video services, EPB obtains state franchises in Tennessee and Georgia. In both cases, the state-issued franchises cover areas within EPB's electric service area for which EPB has not obtained individual franchises.

2010: EPB obtains a CCN to provide competitive telecommunications services in areas of Georgia within EPB's electric service territory; the Georgia Public Service imposes conditions not applicable to private telecommunications providers.

2010: In June, EPB offers the nation's only symmetrical 150 Mbps residential Internet service. Three months later, in September, EPB becomes the first community in the United States to make symmetrical 1,000 Mbps Internet available for all customers, and EPB doubles the minimum speed of its symmetrical Internet service from 15 Mbps to 30 Mbps, at no additional charge.

2011: EPB completes the last of its fiber network, extending fiber to the outlying community of Haletown, Tennessee.

2012: EPB installs the 1,170th IntelliRupter smart switch, creating the nation's most automated Smart Grid network. When an outage occurs, the IntelliRupters communicate with one another through EPB's fiber network to automatically reroute power and restore service.

2012: EPB's communications division obtains commercial financing to replace the remaining balance of the interdivision loan provided by the electric system. Standard & Poor's upgrades EPB's bond rating to AA+, citing revenue from EPB's fiber network as one reason for the upgrade.

2012: On the third anniversary of EPB's communications service, EPB again increases the speeds of its Internet services without additional charge. The new minimum Internet speed is 50 Mbps. EPB reduced the price of residential gigabit service from \$349.99 to \$299.99 per month.

2013: On the fourth anniversary of EPB's communications service, EPB doubles the minimum speed of its Internet service from 50 Mbps to 100 Mbps without additional charge. Customers with 100 Mbps and 250 Mbps are upgraded to the Gig – 1,000 Mbps. The price for 1,000 Mbps services is reduced from \$299.99 a month to \$69.99 per month.

2014: EPB communications services customers grow to more than 63,000.