

August 28, 2014

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, D.C. 20554

RE: Petitions Pursuant to Section 706 of the Telecommunications Act of 1996 for Removal of State Barriers to Broadband Investment and Competition; WCB Docket Nos. 14-115 (Wilson Petition) and 14-116 (EPB Petition)

Dear Ms. Dortch,

Pursuant to the Public Notice for comments in the above-captioned proceedings, the Benton Foundation¹ submits our report *Broadband at the Speed of Light: How Three Communities Built Next-Generation Networks* (“the report”), jointly published with the Institute for Local Self-Reliance, in support of the dual petitions.

The report contains analysis of three examples of local communities building next-generation networks -- in Bristol, Virginia (pages 2-15), Lafayette, Louisiana (pages 16-30), and Chattanooga, Tennessee (pages 31-47). As detailed in the report, “the [three] community networks ... are either already successful or are on track to be successful by the narrow profitability measures of a private company. But when evaluated properly as a community investment, there is no doubt as to their overwhelming success.”²

In particular, the section on Chattanooga reviews the process by which the city’s Electric Power Board (“EPB”) moved forward in its development of the Fiber-To-The-Home (“FTTH”) plan. The City Council unanimously approved the plan in September 2007, with public support between 80-90%.³

The section of the report on Chattanooga also goes over legal challenges to the EPB brought by the Tennessee Cable Telecommunications Association (“TCTA”) and Comcast, which were dismissed by the Court of Appeals of Tennessee.⁴

¹ The Benton Foundation is a nonprofit organization dedicated to promoting communication in the public interest. These comments [or this press release] reflect the institutional view of the Foundation and, unless obvious from the text, are not intended to reflect the views of individual Foundation officers, directors, or advisors.

² Christopher Mitchell, *Broadband at the Speed of Light: How Three Communities Built Next-Generation Networks* (2012), available at <http://www.ilsr.org/wp-content/uploads/2012/04/muni-bb-speed-light.pdf>

³ Id. at 36.

⁴ See *Tennessee Cable Telecommunications Association v. Electric Power Board of Chattanooga* No. M2008-01692-COA-R3-CV (Tenn. Ct. App. 2009) and *Comcast of the South v. Electric Power Board of Chattanooga* NO. E2008-01788-COA-R3-CV (Tenn. Ct. App. 2009).

Table 6 presents data on EPB fiber prices compared to competitors' prices, showing that EPB is "cost-competitive" with Comcast and is "on track to back its debt [to the electric department] ahead of schedule." Finally, the report details how EPB fiber is more protective of consumer rights, has vast network benefits and savings, is creating jobs, and attracting investment and entrepreneurship to "the Gig City."

Members of Congress on the House Energy and Commerce Committee sent a letter to Chairman Wheeler on June 12, 2014, raising concerns of "crowding out" private investment in broadband deployment and "less borrowing for other important state and local projects." In his response dated July 22, 2014, Chairman Wheeler said that he "[expects] that communities will decide for themselves the appropriate type and level of financial risk to take on in light of their needs in the normal course of local self-governance." The report addresses some of the cost-benefit concerns by unambiguously highlighting the success of municipal broadband in three communities. More generally, in addition to the three profiled cities, it also sheds light on how communities can effectively achieve the goal of broadband deployment in areas where broadband is not being delivered by incumbents on a "reasonable and timely basis."

The Benton Foundation has long supported local efforts to build broadband infrastructure. Unfortunately vulnerable populations often reside in communities that are unserved or underserved by traditional telecommunications providers.⁵ We strongly support these communities in their efforts to assess their broadband infrastructure needs, and develop and implement broadband infrastructure projects that match their specific community requirements. Benton believes that government can best serve these most vulnerable communities by supporting local community efforts to assess and meet their own needs. We have closely followed the development of municipal networks and believe that government at all levels should encourage all creative solutions to meet the broadband demands of all communities.

We trust the Commission will closely review all relevant factual, policy, and legal issues presented in the record before making its final decision. We hope Benton's report will help reinforce the strong record of municipal broadband making a difference.

In accordance with Section 1.1206(b) of the Commission's rules, this letter is being filed with your office.

Respectfully submitted,

⁵ See Petition Pursuant to Section 706 of the Telecommunications Act of 1996 for Removal of State Barriers to Broadband Investment and Competition, filed by City of Wilson, North Carolina, WC Docket No. 14-115 (filed July 24, 2014) (Wilson, NC Petition).

/s/

Amina Fazlullah, Director of Policy

Raphael Leung, Policy Intern