



Feb. 20, 2018

## To the Vermont House Committee on Energy and Technology

**The following are Duncan Cable TV's suggested measures whose goals and objectives are to encourage Cable Television Broadband service providers, through administrative and financial initiatives, to buildout remaining unserved areas of VT as well as upgrading their existing distribution systems to a Gigabit, Fiber To The Home platform.**

1. Request the Vermont Department of Public service, reinstitute automatic pole licensing for all newly set poles in Vermont. In addition, request that all pole owning utilities be required to complete any make-ready work necessary from the application of a Cable Television Broadband service provider seeking attachment rights in an area they do not currently serve, be completed within 30 days of receipt by the pole owning utility of payment for such work.
  
2. The Legislature declare that all Cable Television Broadband infrastructure be exempt from local/municipal and state wide education property taxes for 20 years provided such service providers commit to upgrading their existing distribution systems to a Gigabit, Fiber To The Home platform over the next 5 years. This measure would also exempt all Cable Television Broadband service providers from having to file either local lister or state property valuation statements for this period.
  
3. The Legislature declare that all Cable Television Broadband revenue be exempt from gross revenue share taxes for 20 years provided such service providers commit to upgrading their existing distribution systems to a Gigabit, Fiber To The Home platform over the next 5 years.
  
4. Request the Vermont Department of Public service meet with all Vermont Cable Television Broadband service providers serving less than 5,000 customers in Vermont, with the goal being to reduce the volume of pages required in their annual report to no more than 2 pages.
  
5. The Vermont Legislature to establish a pool of funding for the purpose of granting 0% loans to any Vermont Cable Television Broadband service provider who is willing to commit that 100% of such funds received will be invested in areas of Vermont currently served with less than a 30 Mbps down by 10 Mbps service as well as the upgrade of it's existing distribution system to a Gigabit, Fiber To The Home platform over the next 5 years. Suggested loan amounts would be up to \$1,500,000 per 1,000 subscribers currently served by the Cable Television Broadband service provider.  
Such funding to be subject to the following terms.
  - A. 0% interest for 12 years then market loan rates apply thereafter on any unpaid balances.
  - B. No repayment of such funds is required for the first 24 months of the loan.

C. Repayment thereafter to be over the following 10 years. Any remaining balance at the end of the 12 year period to be subject to market interest rates and amortized over no more than 5 additional years.

6. That the Legislature not pursue policies inherent in H680. However, if the Committee feels compelled to do so on any level, that it exempt all Vermont Cable Television Broadband service providers serving less than 10,000 subscribers from complying with such policies.

There may well be other suggestions which Vermont Cable Television Broadband providers serving less than 10,000 customers would like to offer given the opportunity. If the Legislature is interested in learning of further ideas these operators may have, perhaps the Vermont Department of Public Service could arrange a summit for this purpose.

Thank you for this opportunity to offer my perspective and suggestions on how we might best work together to attain as close to 100% Broadband coverage as possible for our state.

Cliff Duncan



**DUNCAN CABLE TV**

Owner / Operator

**DUNCAN CABLE TV'S** comments (per page and line) RE H680  
for the Vermont House Energy and Technology Committee, 2/20/2018

Page 3

Line 1. Evidence in VT that it is not. (The part Vt Policy makers  
may control)

Line 8. Fundamental question. How does this measure  
(specifically & not ideologically) increase/improve the economic  
opportunity for providers to deploy service in very sparsely  
populated areas of Vermont?

Page 4

Line 5. The best protection here is not regulation but  
incentivisation for investment. Then multiple providers will invest.  
Not unlike Cable TV service providers in Vt who never saw gov't  
backed financial support,,, they self funded and built the Cable  
Television Networks that became the Broadband networks of  
today. We serve our markets which have seen intense  
competition for 20 + years.

Line 7. NO! The shift in policy came 2 years ago without  
congressional hearings or public discord. The FCC, with  
encouragement from the previous administration,,, overstepped  
it's policy creation authority.

Line 14 - 18. It was never intended to.

Line 18. Based upon what evidence? Examples being??????

Line 20. At the expense of consumers who otherwise could be  
served by entrepreneurs who's Broadband networks reached  
98% of all US citizens in 10 years, w/o regulations,,, compared to  
a regulated telephone industry who's networks reached 94% of  
Americans after 60 years. Parts of the Southwest US are still  
without access to telephone service.

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Line 1. Again,,,, please share real life examples where any VT business has been or felt disadvantage as a result of this alleged negotiation with Vt businesses because I have not heard of a single incident.

Line 9. Throwing small, self financed entrepreneurs under the bus will be to everyone's loss. Small ISP's can't behave in a manner H680 attempts to address.

Line 10. This is conjecture, based upon unqualified, theoretical at best a belief that unacceptable business practices exist in virtually all VT ISP's. I take personal offense to that!

The FCC has not abandon the 3 bright-line rules:

No Blocking

No Throttling

No Paid Prioritization

All 3 of these rules under Title 2 like regulation are capable of placing small operators in a position of having to unnecessarily defend themselves in court from frivolous and unwarranted claims over network operations and performance.

The FCC is working to create the appropriate framework which enshrines these rules in a way that doesn't do so at the expense of continued investment in unserved areas and Broadband service innovation.

Line 13. Example? Define enhanced.

Page 6

Line 3. Chairman Pia understands and recognizes free market principles which qualify for FTC over-site. Former FCC chair Tom Wheeler did not.

Page 7

Line 1. And this is why we need a national debate and not 50 debates in state silos. Congress with input from all Americans,

not unlike the 1996 Telecommunications act, is the correct forum here, from which we can all choose the best path to take as a nation. With new proposals already appearing from members of Congress, Vermont should allow time for this to further play out nationally.

#### Page 8

Line 3. No,,, the FCC concluded after receiving feedback from many ISP's, including many Municipal ISP's, that the best near term solution is to allow Broadband providers to continue their unprecedented technological success under the Title 1 style framework nationwide. If Vermont policy makers believe that is a mistake, then lets have that debate including realife examples of Vermont ISP abuses which justify it's instituting Title II style regulatory framework.

Line 12. That is why the FCC seeks to involve the FTC.

#### Page 9

Line 1. Some discussion regarding Vermont's history of preempting FCC policy is appropriate here. Rule 3.700 failure.

Line 3. Based upon what specific examples of previous behavior?

Line 4. Examples of commerce affected are? And qualify incidental burden?

Line 17. How is this not the case presently? Examples??

#### Page 10

Line 19. Though DCTV has not and does not engage in paid prioritization, the principle is not about favoring a particular provider, it's about recovering above normal wholesale costs.

le. Trucks pay more in gas taxes and reg taxes as it is believed they inflicted more wear and tear on our roads and highways.

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10. Certificate of compliance will be impossible to fully and fairly vet applicants. Speed test alone as an example. If a provider's speeds are below what his customers are seeking, the ISP will lose customers under the principles of our free market.

Page 13

Line 4 I do not see how "Commission Rules" will promote further deployment of Broadband to unserved or underserved parts of Vt.

Line 16 Home network loading at the time of any testing, often skews test results. We've seeing smart TV's using 13 meg down that were turned off at the time of the speed test.

Page 14

Line 9. This represents an extremely vague set of principles which most certainly will require time, money and other resources to respond to any and all claims made against ISP's. This will be especially onerous to smaller providers with skeleton staff when it come to responding to these types of administrative challenges.

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Line 4. DCTV encourages the VDPS to immediately re-instate automatic pole licensing by all pole owning utilities.

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Line 5. This is an example of policy speak that will put a big chill upon lenders across the board who otherwise may be interested in investing much needed capital to build advanced Broadband networks.

Line 16. Are we now saying that potential Broadband customers count in addition to potential Cable Television customers when determining if enough interest exists to require CATV line extensions?

Line 5. On several occasions, the Vermont Telecommunications Plan has correctly observed that there is a lack of fairness in how Cable Television/Broadband provider's pay a local property tax on their plant and equipment where the Telephone/DSL providers are exempt. Admittedly, Telco's pay a higher gross revenue share tax in leu of property taxes but this tax is calculated against income once services begin to sell. Cable/Broadband providers must pay property taxes as soon their equipment is put in service. ie. if DCTV invests \$3,000,000 in new equipment, it immediately begins paying \$49,500.00 annually in property taxes.

This is exacerbated by the countless hours documenting and CPA costs incurred tracking all of DCTV asset depreciation schedules to comply with annual town Lister submissions. Vt Telcos' can either pay property taxes and track depreciable assets in this manner or pay a gross revenue tax based on sales. It is my understanding that most if not all choose to pay a gross revenue share tax annually in leu of property taxes.

Duncan Cable TV believes Cable Television Broadband assets and the revenue they generate should be given the same tax exempt status Vermont Telephone companies enjoyed from the 1930's to 1968. In 1968 the Vermont Legislature began requiring them to pay taxes against their depreciable assets. DCTV requests that the Legislature declare Cable Television Broadband assets and the revenue they generate be exempt for property or gross revenues taxation for 20 years. This would further incentivize Vt Broadband providers to invest still more capital in their networks to further benefit all served and currently unserved Vermonters.

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Line 12-8. (A). DCTV has already begun overbuilding it's entire 742 MHZ hybrid fiber coaxial network with a state of art Gig E Fiber To The Home network. DCTV's new FTTH network has the potential of delivering Giga-bit class service over it's pure ethernet platform. It has chosen to make this investment prior to and in the absence of Title II style regulation.

Vermont policy makers inserting themselves to the extent H680 proposes, I believe will have a chilling affect on Broadband provider's ability to raise capital. From experience, lenders always favor loaning money to businesses and entrepreneurs whose plans are forward thinking and not exposed to second guessing by other entities.

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Line 4. 100 Mbps may well be a laudable goal within H680. However, current pricing for middle mile connectivity places the wholesale cost to ISP's for 100 Mbps at \$125.00 per month. DCTV believes from it's 46 years of retail service sales, that in today's world Vermonter's will likely find a retail price above this wholesale cost to provision a 100 x 100 Mbps service unaffordable. And for those who may argue that ISP's oversell their wholesale service level to the extent possible,,,, H680's language requires all ISP's to deliver this level of thru-put 100% of the time. To do otherwise by over selling the network, disqualifies any ISP from H680's certification requirements.



Nov. 21, 2017

The Honorable Ajit Pai  
Chairman  
Federal Communications Commission  
455 12<sup>th</sup> Street SW  
Washington, DC 20544

**Re: Ex Parte Submission, Restoring Internet Freedom, WC Docket No. 17-108**

Dear Chairman Pai:

We are twelve non-profit municipal broadband Internet service providers (“Muni ISPs”) serving small towns and communities from Braintree, MA to San Bruno, CA, in competition with other providers. Many of us wrote to you earlier this year, commending your plan to initiate a rulemaking to end utility-style common carrier regulation of ISPs based on Title II of the Communications Act, restore the “information service” classification of the service, and reinstate the bipartisan “light touch” approach to Internet regulation that had served our communities and our subscribers so well for nearly two decades.<sup>1</sup> We write again to urge you to move forward with your proposals<sup>2</sup> without delay, so that we may once again invest in our networks and roll-out innovative features and services without the “dark cloud” of Title II rate regulation hanging over our heads.

Our support for an open Internet is unwavering and we will continue to provide our customers with unfettered access to all endpoints on the Internet, as we always have. The Federal Communications Commission’s decision in 2015 to reclassify broadband Internet access service and subject us to Title II regulation on the basis of our supposed “gatekeeper” power over Internet edge providers’ access to our subscribers was, as we have previously explained, deeply flawed and contrary to record evidence. We are almost invariably not the sole provider of Internet access in our local markets, and our customers can elect to subscribe to one of our private sector competitors if we degrade their Internet experience or fail to keep up with respect to terms and conditions of service. Moreover, as government-run entities, we are not motivated by a need to make a profit, and are directly accountable to our customers as political constituents. Accordingly, we make sure our customers’ interests are the primary drivers of our businesses. We always provide our customers with unfettered access to legal content on the Internet. We never block, throttle, or impair our customers’ traffic, nor engage in paid prioritization of traffic crossing our networks. We have always said we would adhere to any such principles adopted by the Commission, as we have been doing since the Commission first articulated its Internet Policy principles in 2005,<sup>3</sup> and reiterate that pledge once again.

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<sup>1</sup> Letter from William Bottiggi, General Manager, BELD Broadband, et al., to The Honorable Ajit Pai, Chairman, FCC, WC Docket No. 17-108, at 1-2 (filed May 11, 2017).

<sup>2</sup> *Restoring Internet Freedom*, Notice of Proposed Rulemaking, WC Docket No. 17-108 (rel. May 23, 2017) (“NPRM”).

<sup>3</sup> See *Appropriate Framework for Broadband Access to the Internet over Wireline Facilities et al.*, CC Docket No. 02-33, Policy Statement, 20 FCC Rcd 14986 (2005).

The record before the Commission today demonstrates plainly that the 2015 reclassification decision was counterproductive to the goal of encouraging broadband investment, deployment, and innovation. For nearly three years now, we have incurred additional outside legal and consulting costs to guide us through the maze of Title II obligations and the “unknown and unknowable” Internet General Conduct Standard. Even with this advice aimed at minimizing risk, we often delay or defer rolling out a new feature or service because we cannot afford to deal with a potential complaint and enforcement action, and have held back from upgrading our broadband plant based on our fear that after-the-fact rate regulation will harm our ability to break even on our investment. As a result, our customers lose out on having access to innovations and new capabilities and our communities lose out from lack of upgraded plant.

Rolling back Title II classification will have immediate benefits for Muni ISPs and their customers and communities. Removing the overhang of unreasonable and potentially arbitrary enforcement actions and the threat of rate regulation will bring us greater certainty that our investments and development of new services and features will pay off. We will be able to redirect our resources away from backward-facing regulatory compliance efforts to forward-looking network investment and service improvements. At the same time, our customers and Internet edge providers will continue to have the same open Internet experience the 2015 decision aimed to ensure without substantial and unwarranted costs on ISPs. We see this as a “win-win” proposition and urge you to promptly bring the matter for a vote by the Commission.

Thank you again for initiating this proceeding. You can count on our support.

Sincerely,

/s/ \_\_\_\_\_  
William Bottiggi  
General Manager  
BELD Broadband  
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/s/ \_\_\_\_\_  
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Board Chairman  
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/s/ \_\_\_\_\_  
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# Internet Freedom

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 [americancable.org /issues/internet-freedom/](http://americancable.org/issues/internet-freedom/)

## **INTERNET FREEDOM**

### **WHAT THE FCC IS DOING**

The FCC is poised to undo the radical step it took in 2015 of classifying broadband Internet access services as “telecommunications services” under Title II of the Communications Act and restore the prior “information service” classification and light regulatory touch it had always previously applied.

### **HOW THIS ACTION WILL BENEFIT ISPs**

Restoration of light-touch regulation under Title I will immediately empower broadband Internet service providers to invest and innovate free from the harmful overhang of utility-style rate regulation. Removal of the threat of unreasonable and potentially arbitrary enforcement action and rate regulation will bring greater certainty that investments and development of new features and services will pay off.

### **HOW THIS ACTION WILL NOT HARM INTERNET OPENNESS**

This action will have no impact on Internet openness. During the entire course of the “Net Neutrality” debate, ACA and its members have continued to support an open Internet and the ability of their consumers and Internet edge providers to freely reach one another. The only question has been how to achieve that objective in a manner that encourages Internet investment and innovation by all market participants.

### **WHY THE FCC'S 2015 DECISION WAS WRONG/HARMFUL**

In ACA's view, application of Title II regulation to ISPs exclusively was an unjustified and unwarranted mistake that imposed burdensome common carrier regulation that was totally unnecessary to protect the open Internet against threats, real or imagined.

The FCC's 2015 mistake was not costless. ACA members incurred additional costs and delayed or deferred rolling out new features or services because they could not afford to deal with potential complaints or enforcement actions. Fear of after-the-fact rate regulation caused them to hold back plant upgrades and investments. Customers lost out on service innovations and new capabilities and their communities lost out from lack of upgraded plant.

Across this country, small and rural markets, nearly 800 small and medium-sized independent operators are represented by the American Cable Association.

ACA's members -- cable, phone, and fiber-to-the-home operators and municipalities -- deliver affordable basic and advanced services to nearly 7 million households and businesses. ACA members operate in every state, offering high-definition television, next generation Internet access, and digital phone service. America's economic prosperity in smaller markets and rural areas depends on the growth and success of ACA members, who believe a connected nation, is a united nation.

The ACA asks lawmakers and regulators to ensure fair treatment so that small and medium-sized independent operators may continue to supply affordable video, broadband, and phone services to Main Street America. Through active participation in the policymaking process, ACA members and leaders advocate for the interests of their customers, their companies, and their communities to help ensure the continued viability of their way of life in hometown America.



# VTTV Original Series

### The Visitor's Guide to Southern Vermont

Get inspired to explore Vermont in this day tripper series, as VTTV takes you on a seasonal tour of unique businesses and attractions throughout beautiful Southern Vermont.



### The Valley Buzz

VTTV brings you the "buzz of the Valley" with local & regional event coverage throughout the State.



### The 8-0-BREW

With 50 craft breweries in state, VT has the most breweries per capita. Come along with us as we hit the Vermont beer trail on The 8-0-BREW.



### Green Mountain Estates

Explore gorgeous Vermont properties fit to be your dream home, from luxury slopeside ski houses to lakefront estates.



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## Signature Vermont Programming Available on:

[VermontTelevision.com/Watch-Live](http://VermontTelevision.com/Watch-Live)



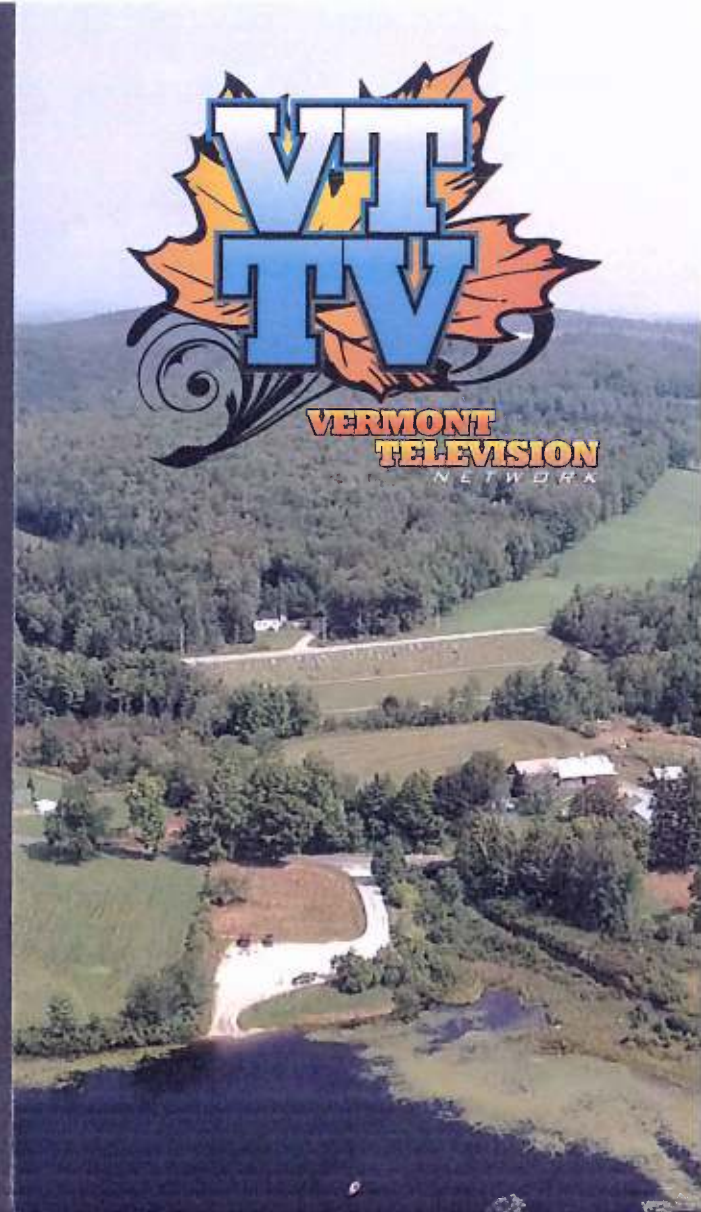
Duncan Cable TV Service



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That's Uniquely Vermont.*

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(802) 464-1039

[www.vermonttelevision.com](http://www.vermonttelevision.com)

## Who We Are



We are a homegrown, Vermont-based television station that strives to inspire interest in the unique culture, diverse history, recreational attractions and business opportunities that exist in the Green Mountain State.

We specialize in professional video production, aerial drone videography, and affordable TV & Internet marketing. In addition to locally produced content like *The Visitor's Guide to Southern Vermont*, we offer professional video production of commercial spots and digital media for both TV and Internet marketing.

VTTV airs locally in Vermont on Duncan Cable TV and Burlington Telecom, and streams worldwide on ROKU and on VermontTelevision.com.

## Our Mission:

### To Our Viewers:

To deliver Vermont-based programming that is both valuable and entertaining, unifying residents and visitors alike, who are similarly passionate about the diverse opportunities Vermont has to offer.

### To Our Advertisers and Sponsors:

To connect local businesses with both residents and tourists in Vermont, informing their target market about the products, services, and value proposition the advertising business has to offer. We strive to increase market penetration, bolster brand awareness, create interest and excitement regarding your products and services, as well as provide superior business exposure.

[VermontTelevision.com](http://VermontTelevision.com)

## The Area We Serve

- VTTV is locally owned & operated in Wilmington, Vermont
- The area we serve is a four season resort destination and includes a diverse demographic of local residents, tourists, second home owners, and college students.
- Major destinations in our immediate territory include Mount Snow, The Hermitage Club at Haystack Mountain, VAST snowmobile trail system, and The University of Vermont.

**VERMONT TELEVISION**  
NETWORK

## Current Distribution

### VTTV Airls Locally In Vermont On:

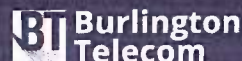
- Duncan Cable TV channels 28 & 76.28-HD in Wilmington & Dover, VT
- Burlington Telecom channels 59 & 259-HD in Burlington, VT

### VTTV Streams Worldwide On:

- **ROKU** streaming media device
- VermontTelevision.com/Watch-Live

### VTTV Promotes Advertisers Online Via:

- The Business Directory on VermontTelevision.com
- VTTV's YouTube Channel, Facebook Ad Boosts & Instagram



## High-Value Advertising Solutions

### ■ Professional Video Production

- High quality HD video production for a fraction of the cost
- IN-HOUSE production studio and state-of-the-art equipment
- A-Z freelance video service including on-site filming, graphic design, special effects, voice-over service, scripting, on-camera talent, and post-production editing

### ■ Aerial Drone Photography

- Professional Aerial Photography & Videography
- FAA Licensed Commercial UAS/Drone Operator
- Specializing in Residential & Commercial Real Estate Photography

### ■ Major Network Advertising

- Capitalize on major network ratings with pinpoint ad insertion
- Choose from 12 popular networks like ESPN, HGTV & CNN
- Rates as low as \$2.00 per day!

### ■ Advertise on Vermont Television Network

- Affordably advertise your business with a 30-second commercial
- Be a part of the show! Feature your business on an original TV series like *The Visitor's Guide to Southern Vermont*
- VT Realtors: Feature your properties for sale on *Green Mountain Estates*

### ■ Weather Ad Sponsorship

- Prime business exposure, at the top & bottom of every hour, during VTTV's pinpoint radar weather reports!
- Advertiser receives 12-minutes of pinpoint weather ads per day!

### ■ Internet Marketing

- Increase your web presence with creative digital media formatted for your website and social media campaigns
- VTTV advertisers enjoy access to their videos online, for the entire length of their contract, for no additional charge!

Give us a call to find out more!  
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