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WRITTEN COMMENTS OF THE NEW ENGLAND CABLE &
TELECOMMUNICATIONS ASSOCIATION, INC. IN RESPONSE TO SENATE
COMMITTEE ON FINANCE QUESTIONS ON BROADBAND PLANNING AND
EXECUTION

September 14, 2020

NECTA is a five-state regional trade association representing substantially all private cable telecommunications companies in Vermont, Connecticut, Massachusetts, New Hampshire, and Rhode Island. In Vermont, NECTA represents Charter Communications, Comcast, and Waitsfield and Champlain Valley Telecom. Our members serve 185 Vermont municipalities with broadband, video, voice, and home security and automation services. Over the past decade, our members have collectively invested over \$200 million developing state of the art networks in Vermont.

NECTA appreciates the opportunity to respond to the questions about broadband planning and execution shared by Senator Brock and the Senate Finance Committee and to provide comments as our members have played a critical role in connecting Vermonters to high-speed broadband and are ready, willing and more than capable of helping solve the remaining gaps. Today, we provide high-speed broadband to 155,000 homes and businesses over approximately 9,000 miles of fiber. Moreover, our companies are identifying opportunities to expand their networks to even more consumers, both through Vermont's COVID-Response Accelerated Broadband Connectivity Program established in H.966 and through their routine business expansion. For example, earlier this spring, in response to the COVID-19 crisis, Comcast announced a plan to serve an additional 430 homes and businesses by the end of 2020. That plan is independent of any franchise requirement or CARES Act Relief funding (CRF).

I. Vermont's COVID-Response Accelerated Broadband Connectivity Program

As NECTA has maintained prior to the onset of COVID-19 and since the pandemic reached Vermont, closing the digital divide in Vermont will require an all hands on deck approach, with government and broadband providers working together to support a variety of technology solutions. This approach proved effective for the Commonwealth of Massachusetts through the Massachusetts Broadband Institute (MBI). We appreciate the tremendous time and effort that the Vermont legislature and members of the Scott Administration have put into developing and implementing programs using CRF dollars to connect more Vermonters. We applaud several elements of Act 137 including the line extension program. Line extensions are an important part of last-mile broadband solutions in rural areas and an easy way to extend broadband to hundreds of homes

quickly. Both Comcast and Charter are actively participating in the line extension program and expect to have more customers in Vermont connected by the end of the year. In addition, NECTA member companies have also identified hundreds of Vermonters who do not currently have access to high speed broadband but who could get connected during 2020 under the Connectivity Initiative. Comcast has been awarded a grant and several other applications are pending.

Vermonters who have or will soon be connected to Comcast or Charter service are offered the same speed offerings at the same prices as customers in Boston's Back Bay or the financial district in Manhattan.

However, as we have highlighted in the past, unnecessarily prescriptive approaches included in the COVID-19 Response Accelerated Broadband Connectivity Program prevent many Vermonters from accessing high-speed broadband as soon as possible. This includes the Get Vermonters Connected Now Initiative, which only supports fiber to the premise (FTTP) architecture and arbitrarily prioritizes providers that offer 100Mbps symmetrical service. These restrictions appear to be more focused on keeping certain providers out than delivering world class broadband to the most Vermonters as soon as possible.

Focusing on a specific product that delivers 100 Mbps symmetrical service is unduly restrictive as it ignores several other solutions capable of providing what Vermonters need in the near term and into the future. Instead, the state should target its efforts at ensuring every household has access to a broadband network that can provide those services that Vermonters realistically need at affordable prices. Households that primarily surf the Internet, use email and stream movies do not need high upload speeds which come at an increased price. At a time when connectivity is more important than ever, when our members are ready to deliver high-speed broadband today and have a proven record of reinvestment and innovation that results in ever increasing speed and reliability, this exclusive rather than inclusive approach to deployment is difficult to reconcile. Our services are provided over networks increasingly constructed of fiber with coaxial cable deployed near the customers – a hybrid fiber coax network – extremely efficient delivering multiple services. We extend our networks by deploying more fiber. Our networks are extremely flexible and adaptable, and the costs of deployment are a fraction of the cost for deploying fiber to the home.

Our networks are supported by cutting edge DOCSIS 3.1 technology which drives today's Gigabit speed offerings and tomorrow's 10G capabilities. Public policy requiring or favoring a fiber to the premise solution over our members' services fundamentally misconstrues the current and potential reliability and speeds of these networks. Given the Gigabit speed offerings of our companies, we provide products that far and exceed the current definition of broadband, which is 25/3Mbps. To be clear, the 25/3 standard for high-speed broadband is a floor, and our customers can access speeds that far-exceed that floor. Nonetheless, it is important to note that 25/3 Mbps speed supports multiple devices in a home, including, for example, up to three high-quality Zoom calls at the same time and up to four simultaneous high-quality video calls on Skype – at lower prices than offered by all-fiber providers.

II. Commitment to Vermont & Network Resilience

NECTA member companies' commitment to Vermont goes above and beyond the high-speed broadband they offer. Throughout the COVID-19 crisis, Vermont broadband providers have taken unprecedented steps to ensure that Vermont families and businesses stay connected. By opening up thousands of free Wi-Fi hotspots and expanding low-cost internet adoption programs like Comcast's Internet Essentials¹ and Charter's Spectrum Internet Assist², our members have enabled hundreds of Vermont residents, businesses and families to access vital internet services such as health care and education. Their commitment to ensuring that the most residents and businesses get state-of-the-art high-speed connectivity is evident in the investment NECTA member companies make in their networks year after year, and these investments have built the capacity to allow the networks to thrive during the surge of COVID-19. Back in March, NCTA, the Internet and Television Association, launched a dashboard of aggregated data from cable internet service providers to offer an ongoing depiction of how cable broadband networks were faring during the COVID-19 pandemic.³ For Vermont, the data since March 1st reveals that although downstream and upstream usage has increased significantly, consumers have experienced no speed reductions to meet this elevated peak demand. Also of note, while both upstream and downstream usage increased, the increase to the downstream was far more significant. Upstream traffic continues to use a small part of overall network capacity.

III. Role of CUDs in Vermont's Broadband Expansion Efforts

There appears to be a strong desire on the part of legislators to support CUDs and to help them achieve success. CUDs can and should play a role in the expansion of broadband in Vermont. At a high level, NECTA believes that the goal of Vermont broadband policy should be to establish policies that encourage investment, stimulate the economy, and serve the public good. This framework works for incumbent providers and should work for CUDs. Together with other broadband providers, CUDs will be an important part of delivering broadband to the last mile in Vermont. But they are not the only solution and there are downsides to their model that should be acknowledged. Their FTTP architecture is expensive, preventing scalability with the limited funds available. Their business plans may require additional infusions of public dollars in the future to keep up with consumer demand. And, importantly, they are not ready to deploy networks in the very near term – many have not even been established yet. CUDs must be included in the plan to expand broadband to unserved locations, but they should not have the power to prevent a Vermonter from seeking a line extension from an existing provider who can deliver greatly needed service immediately. Allowing CUDs to block connections prevents Vermonter from being able to work and learn from home during a global health crisis. No provider, including CUDs, should have the ability to block Vermonter from

¹ <https://www.internetessentials.com/>

² <https://www.spectrum.com/browse/content/spectrum-internet-assist.html>

³ <https://www.ncta.com/COVIDdashboard>

receiving service today under the guise of providing service at a later time, yet CUDs have sought the expanded authority to do so.

Further, we have questions and concerns about the “Pole Harvesting” proposal that was recently submitted to the legislature and discussed with both Senate Finance and House Energy & Technology. First, it is still unclear to us what the full scope and nature of the data the proposers are seeking to be collected from the poles, how this data will be utilized, and by whom. As a matter of sound public policy, NECTA would argue that any data collected by taxpayer dollars should be available to all providers, not just a small subset of CUDs. Second, it is unclear if there will be compliance costs for existing providers who are already attached to poles. Cost burdens should not be placed on existing providers to benefit startup CUDs, so any cost of compliance for this project should be absorbed by the state should this proposal move forward. Third, we have significant concerns over how this state procurement process would contain the rigor and oversight needed in such a rushed period of time for such a large amount of taxpayer money. As presented by the CUDs, it seems the RFP would be designed to be steered fairly quickly to a pre-determined vendor, without full transparency and evaluation of that vendor, what data they seek to collect and how that data will be used. We would urge the committee to ensure that all of that information is provided and disclosed before any contracts are awarded. Finally, Commissioner June Tierney of the Department of Public Service reported to the House Energy & Technology Committee on September 11th that the Administration’s CRF consultant determined that the CUD pole harvesting proposal was not determined eligible for CRF funds because the data would only help design work in 2021 and would not actually connect anyone by December of 2020 which CRF funding requires. It is our hope that the legislature respects this determination and does not use federal emergency funds for work that will not ultimately get more Vermonters connected in the immediate future. Rather, we would urge all additional CRF funding for broadband to be used on programs like the line extension program or the Connectivity Initiative to get as many customers connected as quickly as possible.

IV. Short- and Long-Term Broadband Planning in Vermont

We respectfully urge the legislature to consider a more inclusive path for broadband buildout, one that is focused on ensuring Vermonters have access to world-class broadband speeds to meet their needs now and in the future. This includes removing any required criteria of FTTP technology or 100/100 symmetrical speeds in recognition of the many ways high quality broadband networks can be constructed. Removing these arbitrary restrictions will ensure more Vermonters are connected in the short term to proven and reliable providers who are experienced, proven and ready.

As the Vermont Legislature contemplates a longer-term strategy for planning and executing broadband deployment, NECTA recommends looking to states like Massachusetts and Virginia who have implemented successful public private partnership models to get remaining unserved communities connected. In fact, these models were based off Vermont’s original broadband model under Governor Shumlin where Vermont awarded Connectivity Initiative grants to reach hundreds of unserved addresses in rural communities. These models use the FCC definition of broadband (25/3 Mbps) as the entry point, are technology neutral, target truly unserved areas, and have an open and

public process so providers of all kinds can participate giving each community the ability to choose the technology and provider that is right for them. For example, under the MBI in Massachusetts, a public private partnership delivered sustainable and affordable broadband solutions on a large scale to previously unserved locations. Of the 53 communities defined by MBI in 2016 as either completely or partially unserved, 21 projects are completed, and the other remaining communities all have solutions in place and are now working towards successful broadband connectivity. Simply put, the more providers who participate and submit bids under this inclusive policy approach, the more solutions will be available for Vermont to choose from.

NECTA companies are committed to Vermont and are interested in partnering with the state to address the digital divide through broadband expansion and adoption efforts. With the potential for additional federal funding and cooperation between private and public sectors to address that problem, Vermont can emerge from this crisis stronger and better connected for the future.

Thank you for your time and consideration of these comments. Please do not hesitate to reach out with any questions.

Sincerely,

Timothy Wilkerson
President, NECTA