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Missouri Public Service Commission

July 21, 2010

Mr. Steven C. Reed Secretary of the Commission Post Office Box 360 Jefferson City, Missouri 65102

> RE: In the Matter of a Repository File in which to Gather Information and Assess the Availability of Broadband Services in the State of Missouri Commission Case # <u>TW-2010-0362</u>

Dear Mr. Reed:

Thank you for the opportunity to provide the Commission guidance on how it can best proceed with its assessment of the availability of broadband services in Missouri. The member companies of the Missouri Telecommunications Industry Association (MTIA) are very interested in the development of public policies that will foster a climate in which private enterprise can further extend and improve broadband services to the citizens of Missouri.

In the following comments, we offer three suggestions to the Commission as to how best to develop a plan for gathering and analyzing information in this case, without embarking on premature state-level initiatives, which may actually have undesirable effects on making the goal of increased broadband deployment a reality. From our perspective, these suggestions will assist the Commission and its staff to make the best use of both its time and resources in order to produce a useful report to the General Assembly.

1.) Rely on the state broadband mapping project already underway to gather and assess data on current broadband deployment and the identification of unserved and underserved areas, rather than consume resources unnecessarily by undertaking duplicative efforts.

As you know, the Office of Administration, in conjunction with the University of Missouri, has received a \$1.9 million grant from the federal stimulus program to map current broadband availability in the state. The project is well underway and is on target to deliver a completed work product to the National Telecommunications Information Agency by September 30, 2010. The information will be updated regularly over the next two years. The federal mapping project to identify unserved areas, undertaken in conjunction with the Broadband Data Improvement Act, will be completed in February 2011.

The majority of Missouri broadband providers, including wireline telecommunications carriers, wireless providers, cable companies, electric cooperatives and other Internet service providers, are participating

in the project and have executed non-disclosure agreements with the state so that the proprietary information they provide in order to generate as accurate a report as possible can be adequately safeguarded. Current data has been collected and is in the process of being verified and revised as needed. The data will be further revised over time to reflect the increase in broadband availability over the next several months as broadband providers continue to expand their broadband capabilities.

In brief, this existing mapping project is going well, proceeding on time and producing exactly the kind of data contemplated for the report. Moreover, broadband deployment is expanding in the meantime. The Commission should plan to incorporate the results of the current mapping project in its report rather than devote staff time and resources pursuing collection of duplicative data on its own. Moreover, broadband providers have already invested significant resources to voluntarily compile data throughout the country to aid in the mapping efforts.

2.) Begin the discussion and analysis of policy recommendations, including solicitation of public and/or provider input, in 2011, given the wide-ranging policy debate on the National Broadband Plan now underway.

Although deferring immediate action on this project may seem counterintuitive, it is prudent in light of the range and timetable of the myriad of issues under consideration as a result of the National Broadband Plan (NBP). Although federal policy development affecting the NBP will stretch over years, the "big picture" issues are likely to come into better focus over the next several months. The FCC has established a staggered schedule for the release of several dozen notices of proposed rulemaking/inquiry arising out of the NBP through the fourth quarter of this year. Those notices will provide considerable insight into the actions that the FCC contemplates taking.

The Commission cannot reasonably identify the right questions to ask or the right policy options to consider until the broad parameters of USF reform, intercarrier compensation and other core issues are further debated at the federal level. Given the December 1, 2011 submission date for the report, waiting until issues come into sharper focus is not only possible but also prudent. Right now, national broadband policy is too much of a "moving target" to come close to drawing the right conclusions at the state level.

In the short term, staff can keep the Commission informed of federal policy initiatives and changes over the next several months so that the Commission is well prepared when more clarity arises and more detailed policy analysis can begin. Advance preparation will pay dividends when the Commission undertakes its policy review and recommendations. We suggest that staff consider preparing an ongoing series of executive summaries so that the Commission can track both the content of policy proposals and their progress over time.

3.) Adopt a guiding principle that any considered or recommended policy choices are both technology and provider neutral, and focus on encouraging private investment and innovation.

In today's competitive marketplace, with broadband service available from numerous providers using diverse technologies, any public policy considered or adopted must be objective and not tailored to favor one class of provider over another. Of course, relevant technological and other distinctions have to be considered and factored into the discussion, but policy choices should not pick winners and losers.

In addition, the Commission should focus on policy recommendations that will encourage private investment and innovation, and avoid options that go beyond the state's authority to implement.

Above all, the Commission should discourage policies that increase providers' costs or otherwise undermine the business case for broadband deployment.

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Again, thank you for consideration of our views. We appreciate your bringing these comments to the Commission's attention for its appropriate consideration.

Respectfully submitted,

Ru J. Turt

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