

Broadband Progress Issue Brief

NOVEMBER 2016

SUMMARY

In the [2016 Broadband Progress Report](#) (released January 29, 2016), the Federal Communications Commission (FCC/Commission) found, yet again, that approximately 10 percent of the population (nearly 34 million Americans) lacked access to fixed advanced telecommunications capability and also found a persistent urban-rural divide in access to broadband services. Americans in rural areas and on tribal lands are approximately 10 times more likely to lack access to advanced telecommunications service providers than those living in urban areas. The 2016 Broadband Progress Report separately concluded that deployment of advanced telecommunications capability to schools and classrooms continued to lag behind the needs of American students and educators.

On August 4, 2016, the FCC released the [Twelfth Broadband Progress Notice of Inquiry](#) in which it specifically requested comment on the current state of deployment, appropriate criteria and benchmarks to measure access, updating the “25 Mbps (megabits per second) down/3 Mbps up” benchmark for fixed advanced telecommunications capability, establishing a benchmark for mobile services, adopting benchmarks for non-speed performance metrics (service consistency and latency) and defining the criteria for measuring the extent of broadband deployment to schools and classrooms.

The Utilities Technology Council (UTC) supports the efforts by the FCC and others to promote broadband deployment to un-served (often rural) and underserved areas, and believes electric utilities can facilitate such deployment, if given the opportunity to do so.

BACKGROUND

Section 706 of the Telecommunications Act of 1996 (1996 Act) is a congressional mandate to the FCC to examine the availability of advanced telecommunications capability to all Americans. It directs the Commission and each state regulatory utility commission to take immediate action to remove barriers to broadband if the FCC finds that it is not being deployed on a reasonable and timely basis to all Americans.

The first Notice of Inquiry (NOI) after passage of the 1996 Act was released in August 1998 as directed by Congress in Section 706. Since passage of the 2008 Broadband Data Improvement Act, the FCC has also initiated annual inquiries to “determine whether advanced telecommunications capability is being deployed to all Americans in a reasonable and timely fashion.” In the Sixth Broadband Progress Report in 2010, the FCC found, for the first time, that advanced telecommunications is not being deployed to all Americans in a reasonable and timely fashion. Since then, the FCC has concluded each year that broadband is not being deployed on a reasonable and timely basis.

Given the infrastructure deployed by electric utilities to serve every American who wants electric service, they are uniquely situated to provide broadband service, particularly in unserved and underserved areas. However, in some cases they are prohibited from providing such service and in others the costs are too high and require federal grants or loans to supplement the utility investment.

UTC POSITION

UTC agrees with the FCC's finding that advanced telecommunications is not being deployed to all Americans in a reasonable and timely fashion and

made that point in its September 2016, comments and reply comments in response to the FCC's Twelfth Broadband Progress Notice of Inquiry. Specifically, UTC recommended that the FCC should consider a new broadband speed benchmark of 50 mbps or higher because of evidence that consumers generally subscribe to such speeds (or higher) if they are available and because the current benchmark of "25 mbps down/3mbps up" will quickly become inadequate due to increasing consumer demands. UTC also supported the FCC's inquiry regarding non-speed performance metrics. For latency (the time that data on the network takes to travel from its source to its destination), UTC suggested that the FCC adopt a benchmark of 100 milliseconds, which is necessary to support certain latency-sensitive applications like voice-over-internet-protocol (VOIP) telephony, videoconferences or online games. For the same reasons, UTC also suggested that the FCC adopt a benchmark for jitter (the change in the amount of time it takes for a packet in the network to move from its source to its destination). UTC also opposed data caps (usage limits) because they are contrary to consumer Internet freedom and limit the power of broadband to promote economic growth. Arguing that data caps contradict congressional intent and are hidden charges to residential consumers, UTC also asked the FCC to eliminate the use of data caps in wireline systems in order to remove another barrier to the adoption of broadband.

On mobile broadband, UTC's comments support the FCC's position that fixed and mobile broadband are not functional equivalents and that they should be considered separately from mobile broadband when assessing the current state of broadband deployment. Finally, UTC believes utilities need reliable broadband communications to support their private, internal communications networks that

ensure the safe, reliable and secure delivery of essential electric, gas and water services to the public at large.

In its reply comments, UTC reiterated support for the Commission to adopt benchmarks for broadband that would include 50 mbps speeds, 100 ms latency and unlimited usage allowances (no data caps) for fixed broadband services to promote the reasonable and timely deployment of broadband in rural areas, where 39 percent of Americans (23 million people) continue to be unserved with broadband speeds of 25/3 mbps.

ABOUT UTC

The Utilities Technology Council (UTC) is a global trade association dedicated to serving critical infrastructure providers. Through advocacy, education and collaboration, UTC creates a favorable business, regulatory and technological environment for companies that own, manage or provide critical telecommunications systems in support of their core business.

History: UTC was founded in 1948, to advocate for the allocation of additional radio spectrum for power utilities. Over the last 68 years, UTC has evolved into a dynamic organization that represents electric, gas and water utilities, as well as natural gas pipelines, critical infrastructure companies and other industry stakeholders.

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