



## **FCC Broadband Plan**

LYA COMMENT – March 16, 2010

March 16th 2010 - The FCC released its national broadband plan to Congress. The main themes include connecting 100 million households with 100 Mbps by 2020 and freeing up 500 MHz of new spectrum over 10 years, along with the proposed approach of encouraging incumbent spectrum holders (broadcasters) to give up spectrum in exchange for a portion of future auction proceeds.

Interestingly the 100 Mbps speed requirement is to include 50 Mbps upload speed... most ISPs don't currently provide anywhere near that... The upload speed requirement may in and of itself drive a lot of investment.

The FCC added that every community should have 1 Gbps access for “anchor” institutions – schools, hospitals and government and recommend conversion of e-care and e-learning programs to focus on broadband connectivity and wireless, and modernizing the electric grid with broadband. Cable set top boxes are to evolve to being open gateways by the end of 2012.

They propose freeing up a block of spectrum to offer free or low cost service, suggest that action on data roaming is needed to support seamless competitive coverage for mobile broadband, freeing up TV “white spaces” for mobile backhaul or other applications in rural areas, and propose allocating \$6.5B to build a national public safety network. They propose that federal infrastructure (road, highway) funding be linked to “dig once” policies for joint deployment of broadband infrastructure.

With the anticipated magnitude of future auction revenues, the overall plan is expected to be revenue neutral or revenue positive... if the FCC has in mind the values seen in the 700



MHz auction the revenues could be quite substantial. Of note, it is interesting that the FCC's plan essentially ties together auctions, overall policies as well as programs.

Recommendations also include undertaking a comprehensive review of wholesale competition rules to help ensure competition in fixed and mobile broadband services and ensure widespread availability of inputs for broadband service, including question of IP-IP interconnection, data roaming, special access pricing and rules surrounding retirement of ILEC copper plant. They will also create a Broadband Data Depository for broadband information... to among other things enable the FCC to apply appropriate remedies when competition is lacking in specific geographies or market segments.

*The views expressed herein are solely those of Lemay-Yates Associates Inc.*

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