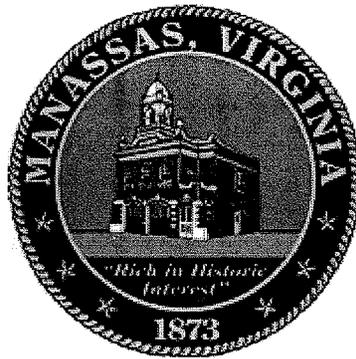


Recommendations on Proposed Rules
For
Implementation of NTIA's
Broadband Technology Opportunities
Program

Docket No. 090309298-9299-01



City of Manassas, Virginia

April 2009

Purpose

These recommendations provide the City of Manassas, Virginia's comments on the primary areas that should receive consideration in the development of grant rules and eligibility criteria for the NTIA's Broadband Technology Opportunities Program ("BTOP").

It is imperative that any set of rules or point system developed track closely with the stated purposes of the BTOP and, at the same time, recognize that there is no "one size fits all" solution. There are various different strategies and technologies that would best accomplish the BTOP's goals in different communities.

Recommendations

1. **Providing Improved Access and Increased Affordability to Broadband to Underserved Areas.**

The City of Manassas provides broadband over a Broadband over Power Lines (BPL) system, as well as some fiber connections. One of our primary strategies for offering Internet service is to assure that broadband is available at acceptable speeds and affordable prices to as many City customers as possible. Affordability is a key component, especially in the midst of a recession. Underserved is not just a geographical consideration in a service territory. With unemployment in Manassas doubling in the last year from 3.5% to just under 8%, it is essential that the cost of broadband service, and thus its affordability, be considered in defining underserved communities. The City intends to keep its broadband rates low to assure that service is affordable for its citizens. Our broadband service also offers a critical lower-cost alternative to incumbent cable and telecommunications service providers, which continue to raise prices for their broadband services. The competition we provide is essential to maintaining broadband affordability to Manassas residents. Providing increased competition in underserved areas is the best means to increase broadband adoption.

Proposals that would offer affordable rates in areas that have been significantly and adversely impacted by the recession should receive substantial consideration by NTIA. A high percentage of foreclosures

and high unemployment rates could be useful metrics in identifying such areas.

While minimum broadband speed thresholds will need to be established for underserved areas (5 to 10 Mbps for landlines, for example), proposals that would increase broadband speed, accomplished by an equipment upgrade of an existing network, should be considered the most cost effective candidates for funding.

We therefore recommend that the rules include a criterion that measures, and rewards, grant applications proposing the highest percentage increase in bandwidth speed.

2. **Providing Broadband Education, Awareness, Training, Access, Equipment to the Disadvantaged and Other Specific Public Interest Groups.**

Municipalities and municipal utilities have public interest obligations that are often very different from private entities. Our goal is not profit-maximization, but to serve our residents at the lowest possible cost. Our municipal broadband service is provided free to a local non-profit, Serve Inc., which provides transitional housing, shelter, and emergency food, in cooperation with the City's Family Services Department.

Making broadband service available for free to disadvantaged and displaced residents should be recognized and given weight in the crafting of the grant guidelines.

Any point system considered for evaluating grant applications should allow applicants serving community support organizations to receive favorable ratings because of the special needs of such organizations. Donations to most non-profit organizations serving the needs of the disadvantaged and displaced have decreased as a result of the recession. At the same time, demands for the services of these charitable non-profits has increased drastically due to the economic downturn, foreclosures, and the like. Municipalities and their utilities are uniquely well positioned to respond to that need.

3. Stimulating Broadband Demand, Economic Growth and Job Creation.

Grant applicants that are combining their broadband project with other ARRA-related initiatives should receive special consideration for BTOP funding. For instance, funding for broadband service enhancements should be strongly considered in a community, like Manassas, where the City has other utility energy-saving applications and ancillary services that will also use the City's broadband platform.

The ARRA also furnishes funding through the Department of Energy for Smart Grid initiatives. Communities committed to Smart Grid projects should receive high priority for BTOP funds where both broadband services to the public and Smart Grid projects will be deployed over the same system platform.

4. Administer Grant Awards in a Technology Neutral Fashion.

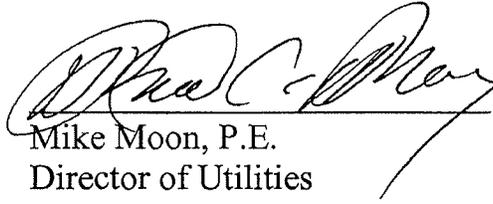
It is important that different kinds of technologies be targeted for investment with BTOP funds. Fiber may be the fastest from a speed standpoint, but there is also a place for BPL, wireless and other broadband technologies.

Where applicants propose projects that entail first-time deployment of new generation broadband technology and/or equipment, as Manassas plans to do with its BPL service, NTIA should give favorable consideration to such next-generation broadband projects.

Rewarding next-generation broadband technologies will stimulate investment and development in those new technologies and create new jobs, which are primary objectives of ARRA.

Broadband speed is important, but one size does not fit all. It is essential that NTIA give flexibility to applicants to deploy the broadband technology that works best for their particular business and community, especially where that technology offers consumers the benefits of increased broadband competition and lower broadband rates.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mike Moon", written over a horizontal line.

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