



STATE OF MAINE  
PUBLIC UTILITIES COMMISSION  
242 STATE STREET  
18 STATE HOUSE STATION  
AUGUSTA, MAINE  
04333-0018

SHARON REISHUS  
CHAIRMAN

VENDEAN VAFIADES  
JACK CASHMAN  
COMMISSIONERS

April 13, 2009

The Honorable Gary Locke, Secretary  
U.S. Department of Commerce  
Office of the Secretary  
US Department of Commerce  
1401 Constitution Ave, N.W.  
Washington, DC 20230

The Honorable Tom Vilsack, Secretary  
U.S. Department of Agriculture  
Office of the Secretary  
US Department of Agriculture  
1400 Independence Ave., S.W.  
Washington, DC 20250

The Honorable Anna Gomez, Acting Assistant Secretary  
Deputy Assistant Secretary for Communications and Information  
Office of the Assistant Secretary,  
National Telecommunications Information Administration  
US Department of Commerce  
1401 Constitution Ave., N.W.  
Washington, DC 20230

Re: American Recovery and Reinvestment Act of 2009  
Docket No. 090309298-9299-01

Secretary Locke, Secretary Vilsack, and Assistant Secretary Gomez:

The Maine Public Utilities Commission (MPUC) submits the following comments in response to the March 12, 2009, notice publishing in the Federal Register by the National Telecommunications and Information Administration (NTIA) and the Rural Utilities Service (RUS) regarding the Broadband Technology Opportunities Program (BTOP) and other program funding mechanisms established pursuant to the American Recovery and Reinvestment Act of 2009 (ARRA). In accordance with advice provided at the recently held public meetings, we provide brief summary comments, in letter format, on key questions set forth in the agencies' Federal Register publication. Attached as an appendix to this letter are our comments organized as question-by-question responses.

## **Unserved Areas**

ARRA funds should be awarded to projects that will provide facilities-based access to the internet at download speeds of not less than 1 mb/second. Communities where access at that speed is not available, or where the only option for connection is via dial-up or satellite service, should fall within the definition of unserved area.

Identification of unserved areas should be without regard to how those areas might be commonly classified in terms of municipal or political subdivision boundary. To a citizen unable to access the internet, the name or boundary of a city, town, subdivision, or road is irrelevant. Projects which target unserved areas— even areas as small as a single road — should be eligible for ARRA funding.

## **Evaluation and Ranking of Broadband Stimulus Proposals by the State of Maine.**

To put ARRA funds to their most efficient use, and to ensure that the economic stimulus effect of such funds is felt immediately, the NTIA and RUS must solicit from the States concrete evaluations of actual projects and proposals. At this moment, in Maine, both the ConnectME Authority and the MPUC are uniquely situated to assess how well an individual project will fit into state-wide broadband infrastructure needs and the existing plans for providing access to unserved areas of the State. Either or both of these agencies could readily be designated by the Governor to fulfill this role. These agencies recognize that the need for robust and affordable “middle-mile” or “backhaul” connections are as important as “last mile” projects in order expand broadband to unserved areas of the State. These Maine agencies understand the relative advantages of various technologies and are capable of assessing competing projects from of perspective of technological neutrality.

The State of Maine can also efficiently review and rank public and private proposals submitted to the NTIA and RUS. A Maine-centric assessment would consider factors such as the unique geographic, population, and economic characteristics of the unserved area to be addressed by a given proposal. The actual experience within the State of the entity seeking funding, both in terms of cost-effectiveness and technological competence, is also likely to be known by Maine agencies.

Maine agencies will also identify those projects that are likely to have the greatest potential impact on economic development within the State. Maine is therefore in the best position to evaluate potential project in terms of the immediate employment and other economic benefits that will be generated by selecting projects that are ready to commence, and be completed, in a short time horizon. It is also able to determine whether a particular project is likely to contribute, in a lasting way, to other economic development initiatives in that pertinent unserved area. In this regard, Maine has experience reviewing broadband build-out plans, awarding grants, and encouraging economic development in areas where access to broadband has been enhanced.

The State will prove to be invaluable to the NTIA and RUS in helping to determine whether a particular, federally funded project will be sustainable once those federal funds are fully expended. The State is also capable of monitoring the progress of projects underway and of providing reports and recommendations regarding the continued funding needs, if any, of an ongoing project.

**Coordination of New ARRA Funded Broadband Projects with Existing Projects within the State of Maine**

NTIA and RUS must be careful not to penalize Maine for the fact that the MPUC has already obtained from the dominant service provider in the State an enforceable commitment to build-out its broadband infrastructure. Specifically, the MPUC imposed, as a condition of its approval of the recent purchase by FairPoint Communications of Verizon's service territory in Maine, a requirement that FairPoint expend, over a five-year period, a fixed sum to increase its broadband penetration in the State.

FairPoint should be encouraged to fully compete for ARRA funding for a project that would accelerate the timeline and enlarge the geographic scope of its previous commitments to the State. Thus, the use of Federal funds to expedite or expand previously planned (shovel ready) projects by FairPoint in Maine should be eligible for ARRA funding. The desire to ensure that federal funds are not awarded to projects that would have been accomplished in the absence of such funds should not lead to an overbroad disqualification standard that would prevent expansion and acceleration of an existing FairPoint project.

We appreciate this opportunity to provide our comments and look forward to a continuing dialogue as the NTIA and RUS continue to implement this important component of the ARRA.

Yours truly,

Sharon Reishus  
Chairman

Vendean Vafiades  
Commissioner

Jack Cashman  
Commissioner