

**Before the
DEPARTMENT OF COMMERCE
National Telecommunications and Information Administration**

**American Recovery and Reinvestment Act)
of 2009 Broadband Initiatives)**

Docket No. 090309298-9299-01

COMMENTS OF HOME TOWN CABLE TV, LLC

Home Town Cable TV, LLC (“HTC”) submits the following comments to the National Telecommunications and Information Administration in response to the Request for Information (“RFI”) issued in this proceeding on March 9, 2009. HTC is a broadband service provider that delivers fiber-to-the-premises (“FTTP”) networks in previously unserved and underserved residential communities in St. Lucie County, Florida.

Response to RFI Questions 4(a) and 13(a):

I. Preference Should be Given to Projects that Promote Public Safety, Including Construction of Underground Fiber-to-the-Premises Broadband Facilities in Hurricane-Prone Regions

Question 13(a) of the RFI seeks comment on the definition of “underserved” areas that would be eligible for grants. In question 4(a), NTIA seeks comments on which “other priorities” it should consider when selecting competitive grants. NTIA should deem “underserved” any hurricane-prone area that is not served by entirely underground fiber-to-the-premises (FTTP) broadband facilities, and it should give preference to projects that would deliver such facilities, to promote public safety and assure the continuous availability of reliable, truly high-speed broadband service.

September 11, Hurricane Katrina, and other disasters have proven the importance of resilient communications networks. When HTC’s communities were battered by three major hurricanes in recent years, its underground FTTP broadband network remained fully in service

without interruption while the systems of the incumbent operators were disabled, in some cases for as long as one month. Customers and their friends and neighbors used HTC's service to access weather, relief and safety information, and to place 911 and other calls.¹ HTC also made its network available to emergency and relief personnel, and to community residents at temporary public access locations. Local officials praised HTC for its service, and Congress subsequently recognized the special importance of such underground broadband deployments by making FTTP projects in St. Lucie County expressly eligible for funding from the RUS Rural Development Broadband Loan and Loan Guarantee Program.²

Businesses will increasingly look to the availability of reliable underground broadband facilities in deciding whether to locate in a hurricane-prone area, both for their own commercial access and also because of its attractiveness to prospective employees at their residences. And the ability of broadband networks to withstand hurricanes is key to restoring a community's economic health after a major storm.

The importance of hurricane-proof broadband facilities will be further magnified as a result of the June 12, 2009 DTV transition. Coastal residents historically have relied on battery-powered black & white analog televisions as a back-up means of accessing broadcast TV during storms. After June 12, these analog televisions will not be able to tune over-the-air broadcast stations unless connected to a digital converter. However, nearly all NTIA-approved converters require AC power, so most consumers will be unable to use these televisions when their power has been lost in a storm.

¹ Among other sources available to residents, HTC provides a free channel to broadcast public safety and weather warnings and other important local information.

² P.L.108-447, § 727 (adopted December 8, 2004).

Although there may be other types of underground facilities that are similarly resilient during hurricanes, NTIA should favor FTTP projects because they offer faster broadband speeds and create more jobs:

- HTC has already equipped its FTTP system to support 100 mbps service, and the electronics that drive fiber transmission are easily upgradable to support even greater speeds to stay ahead of inevitable increases in consumers' demand for bandwidth. Congress directed NTIA to give preference to such projects that deliver the fastest possible speeds.³ And of course, above-ground broadband systems deliver no speed at all when they have been disabled by a hurricane.
- As the Fiber-to-the-Home Council explained in its recent comments to RUS, fiber deployments are enormous projects that create more than 33% more new construction jobs than similar dollars of investment in wireless broadband.⁴ Congress also agreed that new construction would be likely to create more new jobs than upgrades to existing networks and other “projects centered on current-generation broadband speeds.”⁵
- In addition to the short-term economic benefits from construction spending, FTTP also creates more long-term jobs than other, slower broadband alternatives. As the Fiber-to-the-Home Council explained in its recent comments to RUS, fiber is an economic engine for small and rural communities. A report released earlier this year by Ovum studied FTTP deployments in rural Sweden and found a “clear link between rollout of [FTTP] ... and attraction of new business to area.”⁶ The Ovum report also found that FTTP produces significant savings for rural consumers in communications prices; “improvements in educational facilities and services,” such as distance-learning; improved health care, including sharing of information between medical centers and also remote home monitoring of patients; and “closer collaboration between municipalities, public bodies and communities.”⁷

ARRA urged preference for projects that enhance public safety, deliver the fastest possible speeds, and promote economic development. Underground FTTP does all of these. NTIA

³ ARRA, § 6001(h)(2)(B).

⁴ Comments of Fiber-to-the-Home Council at 6-7, citing study that 54% of FTTH projects are spent on construction, compared to 7% of wireless broadband projects, and that FTTH projects accordingly create more than 33% more new jobs.

⁵ Conference Report, H.R. 1, “The Conferees are also mindful that the construction of broadband facilities capable of delivering next-generation broadband speeds is likely to result in greater job creation and job preservation than projects centered on current-generation broadband speeds.”

⁶ http://www.ftthcouncil.eu/documents/studies/Socio-Economics_Study.pdf at 18.

⁷ *Id.* at 6-10.

should therefore give preference to the construction of underground FTTP in hurricane-prone areas that currently lack such facilities.

II. NTIA Should Give Preference to Existing and Former NTIA and RUS Grant and Loan Recipients

ARRA requires RUS to give preference for new grants and loans to existing and former RUS borrowers. The purpose of this preference is that Congress wants stimulus funds to be distributed and spent quickly, and believed that companies that had been approved for prior broadband subsidies could be more quickly approved because they had already been deemed reliable and qualified stewards of public funds with sound business models that further the nation's broadband objectives. Although NTIA is not statutorily required to give the same preference, it should do so permissively to accomplish the same objective. NTIA could also give preference to prior NTIA program recipients, as appropriate.

Response to RFI Question 4(g):

The RFI asks: "Should the fact that different technologies can provide different service characteristics, such as speed and use of dedicated or shared links, be considered given the statute's direction that, to the extent practicable, the purposes of the statute should be promoted in a technologically neutral fashion?"

Technological neutrality does not require NTIA to deem all technologies equal. It instead simply means that technologies that deliver the same benefits to consumers and the goals of the stimulus program should be treated equally. However, where a technology such as FTTP offers superior benefits to consumers, and would create greater economic growth, it should be favored. ARRA instructs NTIA to give preference to projects that "provide the greatest

broadband speed possible” to consumers.⁸ Thus, NTIA should favor, for example, FTTP projects that can deliver 100 mbps service over DSL projects that would offer only some fraction of that speed. It should also favor FTTP projects over wireless solutions because fiber deployments will create more economic growth, both in the short term from the creation of construction jobs, and over the long-term because the higher bandwidth capacity of FTTP will drive greater economic development.

Respectfully submitted,

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⁸ ARRA, § 6001(h)(2)(b).