

**Before the  
DEPARTMENT OF COMMERCE  
NATIONAL TELECOMMUNICATIONS AND  
INFORMATION ADMINISTRATION  
Washington, DC**

In the Matter of	)	
	)	
American Recovery and Reinvestment	)	Docket No. 090309298-9299-01
Act of 2009	)	
Broadband Initiatives	)	

**COMMENTS OF CLEARWIRE CORPORATION**

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**TABLE OF CONTENTS**

	<b>Page</b>
EXECUTIVE SUMMARY .....	i
INTRODUCTION .....	1
BACKGROUND .....	3
DISCUSSION.....	9
1.    The Agencies should determine that it is in the public interest to deem for-profit enterprises eligible for grant funding.....	9
2.    The definitions of “broadband,” “unserved,” “underserved” and “rural economic development” must separately account for fixed wireline/wireless service and mobile wireless service.....	10
3.    To conduct a technologically neutral assessment of fixed and mobile broadband, mobile wireless broadband speeds must be considered separately. ....	11
4.    The Agencies should not prioritize projects aimed at unserved areas to the detriment of underserved areas. ....	12
5.    The mix of capabilities offered by a grant applicant should be taken fully taken into account. ....	13
6.    The Agencies’ application selection criteria should consider whether multiple purposes or populations would be served by an application. ....	13
7.    The “State” role should include consultation with local communities and other local institutions.....	14
8.    The Agencies should favor applicants committed to open access, networks and devices.....	14
9.    The Agencies also should favor applicants committed to provide access to their networks.....	15
CONCLUSION.....	15

## EXECUTIVE SUMMARY

Clearwire Corporation (“Clearwire”) endorses the positions advocated by the Wireless Communications Association International (“WCAI”) in its comments filed April 9, 2009 with the National Telecommunications and Information (“NTIA”) and the Rural Utilities Service’s (“RUS”) (collectively, the “Agencies”) on the broadband initiatives of the American Recovery and Reinvestment Act of 2009 (“Recovery Act” or “ARRA”). Clearwire’s comments support the points made by WCAI with facts drawn from Clearwire’s ongoing, successful collaboration with the City of Milledgeville, Georgia in bringing next generation mobile wireless broadband services to a rural community with significant unserved and underserved populations.

The collaboration in Milledgeville is a multi-faceted program intended to spur broadband adoption among low-income populations within the city, provide job training and development services to the city’s unemployed, improve public safety resources, improve broadband access for area college and K-12 students and facilitate economic development. Clearwire’s experience in Milledgeville supports the following points made in WCAI’s comments:

- The Agencies should determine that it is in the public interest to deem for-profit enterprises eligible for grant funding.
- The definitions of “broadband,” “unserved,” “underserved” and “rural economic development” must separately account for fixed wireline/wireless service and mobile wireless service.
- The Agencies should consider “shovel ready” speeds of mobile wireless broadband networks separately from speeds of fixed networks. Today’s mobile wireless broadband technology delivers 6.0 mbps download and 1.5 mbps upload. At a minimum, an average actual speed of 3.0 download and 768 kbps upload per end user during peak hours should be required for mobile networks.
- The Agencies should not prioritize projects aimed at unserved areas to the detriment of underserved areas.
- Grant applicants should be evaluated based on their complete mix of capabilities, including cost-efficient network deployment, sustainability of the project,

mobility/nomadcity of the service offerings, time to market, and affordability to end users or expressly targeted groups.

- The Agencies' application selection criteria should consider whether multiple ARRA purposes or targeted populations would be served by an application. An application that offers multiple benefits, for example, to an unserved or underserved area and also promotes job creation, public safety, education, etc., should be scored higher.
- The "State" role should include consultation with local communities and other local institutions.

In addition, Clearwire independently recommends that the following factors should be heavily favored in the grant process:

- An applicant's commitment to open-access networks that permit customers to use any lawful application or device so long as it is compatible with and not harmful to the network.
- An applicant's commitment to offer non-exclusive network access to other carriers, which will have a multiplier effect, extending the benefits of the grant beyond the original grantee.

## INTRODUCTION

Clearwire Corporation (“Clearwire”) respectfully submits these comments in response to the National Telecommunications and Information’s (“NTIA’s”) and Rural Utilities Service’s (“RUS’s”) (collectively, the “Agencies”) joint request for information on the broadband initiatives of the American Recovery and Reinvestment Act of 2009 (“Recovery Act” or “ARRA”). Clearwire builds and operates next generation wireless broadband networks that provide entire communities with high-speed residential and mobile Internet access services and voice services.<sup>1</sup> Clearwire operates networks in 51 markets in the United States and Europe covering approximately 18.2 million people. At the end of 2008, Clearwire had approximately 475,000 wireless broadband subscribers. In its newest markets, Portland, Oregon and Baltimore, Maryland, Clearwire utilizes mobile WiMAX technology that enables the company to offer mobile and fixed communications over a single wireless network at speeds that offer a competitive alternative to wireline broadband offerings.<sup>2</sup>

Clearwire is a member of the Wireless Communications Association International (“WCAI”) and endorses the comments filed by WCAI on April 9, 2009. Rather than repeat the views expressed in WCAI’s comments, Clearwire is taking this opportunity to support the points made in WCAI’s filing with facts drawn from its ongoing, successful collaboration with the City

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<sup>1</sup> See Clearwire Corp/DE-N/A, 2008 Annual Report (Form 10-K) <http://investors.clearwire.com/phoenix.zhtml?c=198722&p=irol-sec> (filed Mar. 26, 2009) (providing a comprehensive overview of the company for the past year).

<sup>2</sup> The mobile WiMAX standard is also known as the IEEE mobile Worldwide Interoperability of Microwave Access 802.16e-2005.

of Milledgeville, Georgia in bringing next generation mobile wireless broadband services to a rural community with significant unserved and underserved populations. Similar facts could be drawn from Clearwire's deployments in more densely populated urban markets such as Portland or Las Vegas, where the unique benefits of mobile broadband wireless also are being realized to spur economic development, address critical public safety, education and health needs and attack low broadband adoption rates.

The collaboration Milledgeville is more than an extension of a new, Internet access network to the city. It also features a multi-faceted program funded by the John S. and James L. Knight Foundation (the "Knight Foundation")<sup>3</sup> intended to spur broadband adoption among low-income populations within the city, provide job training and development services to the city's unemployed, improve public safety resources, improve broadband access for area college and K-12 students and facilitate economic development.

Clearwire's experience in Milledgeville supports the following points made in WCAI's comments:

- The Agencies should determine that it is in the public interest to deem for-profit enterprises eligible for grant funding.
- The definitions of "broadband," "unserved," "underserved" and "rural economic development" must separately account for fixed wireline/wireless service and mobile wireless service.
- The Agencies should consider "shovel ready" speeds of mobile wireless broadband networks separately from speeds of fixed networks. Today's mobile wireless broadband technology delivers 6.0 mbps download and 1.5 mbps upload. At a minimum, an average actual speed of 3.0 download and 768 kbps upload per end user during peak hours should be required for mobile networks.

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<sup>3</sup> The Knight Foundation promotes excellence in journalism worldwide and invests in the vitality of U.S. Communities where the Knight brothers owned newspapers. *See* [www.knightfoundation.org](http://www.knightfoundation.org).

- The Agencies should not prioritize projects aimed at unserved areas to the detriment of underserved areas.
- Grant applicants should be evaluated based on their complete mix of capabilities, including cost-efficient network deployment, sustainability of the project, mobility/nomadcity of the service offerings, time to market, and affordability to end users or expressly targeted groups.
- The Agencies' application selection criteria should consider whether multiple ARRA purposes or targeted populations would be served by an application. An application that offers multiple benefits, for example, to an unserved or underserved area and also promotes job creation, public safety, education, etc., should be scored higher.
- The "State" role should include consultation with local communities and other local institutions.

In addition, Clearwire independently recommends that the following factors should be heavily favored in the grant process:

- An applicant's commitment to open-access networks that permit customers to use any lawful application or device so long as it is compatible with and not harmful to the network.
- An applicant's commitment to offer non-exclusive network access to other carriers, which will have a multiplier effect, extending the benefits of the grant beyond the original grantee.

## **BACKGROUND**

Milledgeville, Georgia is known as the "First Lady of Georgia," having served as the state's Antebellum Capital during the Civil War. Today, however, the city sits more than an hour from the nearest interstate highway and its name has become synonymous with the four state prisons and the large psychiatric hospital that are among Baldwin county's largest employers. City officials are nevertheless working to focus perceptions upon the city's rich past and graceful collection of historic mansions.<sup>4</sup> Milledgeville is also home to a number of

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<sup>4</sup> See Dana Landers, *Milledgeville: Land of lakes and land of prisons*, GCSU College Media Network, Feb. 13, 2009, at <http://media.www.gcsunade.com/media/storage/paper299/news/2009/02/13/CampusNews>; see also Carol Clark, *Milledgeville: A Real Page-Turner*, Wash. Post, Aug. 10, 2003, available at

universities – Georgia College and State University (GCSU), a growing state college, as well as Georgia Military College and Central Georgia Technical College. The city’s population, excluding its 5,800 college students, is 12,000, including 4,800 households and 470 businesses.<sup>5</sup> Milledgeville’s average household income of \$30,500 lags significantly behind the national average of \$42,000.<sup>6</sup> Nearly a quarter of Milledgeville’s residents live below the poverty line compared with the national average of 13%.<sup>7</sup>

Several telecommunications providers offer service in Milledgeville. The community is served by Charter, a cable company that offers cable, telephone and Internet access, and Windstream, a rural telephone company that offers telephone, broadband and satellite digital TV services. In addition, AT&T Mobility and Verizon Wireless offer mobile wireless services to the area.<sup>8</sup> Although broadband cable and DSL services are available in the city, Georgia is a state where only 58% of households with access to broadband actually subscribe to a broadband service.<sup>9</sup> When the population as a whole is considered, penetration rates drop to 24%. City

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<http://www.stembridge.us/2008/09/09milledgeville-a-real-page-turner> (“Milledgeville was founded in 1803, near the geographic heart of Georgia, and is the only planned capital in the country besides Washington. The compact town center contains more than 200 architectural landmarks, including many examples of a distinctive style known as Milledgeville Federal”).

<sup>5</sup> See U.S. Census Bureau, 2000 Census.

<sup>6</sup> *Id.*

<sup>7</sup> *Id.*

<sup>8</sup> AT&T Mobility does not provide third generation (3G) mobile broadband in the area. See <http://www.wireless.att.com/coverageviewer/?zip=31061>. Verizon Wireless does appear to provide 3G mobile broadband service in Milledgeville. See <http://www.verizonwireless.com/b2c/CoverageLocatorController?requesttype=NEWREQUEST>.

<sup>9</sup> National Cable & Telecommunications Association White Paper, *Moving the Needle on Broadband: Stimulus Strategies to Spur Adoption and Extend Access Across America* (2009) (“NCTA White Paper”) at 6 (citing, Raul Katz and Stephan Suter, *Estimating the Economic Impact of Broadband Stimulus Plan*, Columbia University Institute for Tele-Information (Feb. 2009) at 18).

officials believe Milledgeville’s adoption and use of broadband Internet access has lagged far behind the rest of the state.

In 2006, Georgia Governor Sonny Perdue announced the “Wireless Communities Georgia” program, which provided \$4 million in funding to help local communities establish wireless broadband networks.<sup>10</sup> In announcing the program, Governor Perdue stated:

“Broadband is the new dial tone of the 21st century. . . . We cannot imagine any business, much less an entire community operating without access to reliable telephone service. Today, broadband Internet access is just as important to our communications infrastructure.”<sup>11</sup> Eligible grant applicants included city and county governments and local governmental authorities. Funding recipients were required to pay a minimum of 25% of a project’s costs.<sup>12</sup> Priority was given to networks operated by private sector companies, with local and state government agencies expected to serve as anchor tenants.<sup>13</sup>

In September 2006, Milledgeville received an \$862,000 grant from the Wireless Communities Georgia program to turn the city into one of several model communities to show the benefits of using mobile wireless access to improve economic development, educational access and governmental services.<sup>14</sup> The city proposed a wireless service that would improve public safety resources, help facilitate economic development, include low-to-moderate-income

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<sup>10</sup> See News Report, *Georgia Governor Announces Funding for Wireless Broadband Networks* (May 22, 2006) available at [www.govtech.com/gt/articles/99560](http://www.govtech.com/gt/articles/99560).

<sup>11</sup> *Id.*

<sup>12</sup> *See id.*

<sup>13</sup> *See id.*

<sup>14</sup> See Daniel McDonald, *Wireless City Steps Closer*, Union-Recorder, July 23, 2008, [http://www.unionrecorder.com/archivesearch/local\\_story\\_205222113.html](http://www.unionrecorder.com/archivesearch/local_story_205222113.html) (“*Wireless City Steps Closer*”).

consumers, and improve access for area students.<sup>15</sup> For example, the city was seeking a wireless network able to provide reliable outdoor/indoor coverage to encourage the city's 6,000 college students to leave campus and use their laptops in nearby parks, coffee shops and restaurants. Additionally, the city proposed that the network provide computer-aided dispatch for emergency response personnel. The Milledgeville Police Department also committed to allocating part of its technology budget to purchase laptop computers so that officers would have better access to the Georgia Crime Information Center when on patrol.<sup>16</sup>

After issuing a Request for Proposals, in 2008 the City selected Clearwire to create a wireless network utilizing WiMAX technology. Initially, the city had considered selecting a Wi-Fi platform, but chose Clearwire instead because its WiMAX network provides a 15 to 17 square mile coverage area at a lower cost than the four to five square mile coverage area offered by Wi-Fi.<sup>17</sup> In addition, WiMAX offers true broadband speeds and provides coverage both outdoors and indoors.<sup>18</sup> The company also supplies customer care as well as technical operations support for Milledgeville's subscribers. Another attractive feature of Clearwire's proposal is that the Milledgeville network will be an outgrowth of Clearwire's Atlanta WiMAX market, and Milledgeville's subscribers will be able to travel to and access the Atlanta market along with Clearwire's nationwide WiMAX rollout. Crucial to the city's decision was the importance of mobility: "Overall, this provides mobility," said Milledgeville City Planner Russell Thompson,

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<sup>15</sup> *See id.*

<sup>16</sup> *See id.*

<sup>17</sup> *See id.*

<sup>18</sup> WiMAX is able to achieve connectivity speeds that greatly exceed existing cellular networks and offers a competitive alternative to wireline broadband offerings.

who negotiated the contract with Clearwire. “You’re not locked down, you can take [Internet access] with you.”<sup>19</sup>

In addition, because Clearwire’s network is based on the open, WiMAX standard, it offers Milledgeville subscribers the ability to use any lawful device compatible with the network. Subscribers are not limited to Clearwire-provided equipment, but instead can use any of the hundreds of devices that include an embedded WiMAX chipset. Clearwire’s deployment strategy is supported and shared by its collection of strategic partners, including Sprint, Comcast, Intel, Time Warner Cable, Google and Brighthouse Networks. Clearwire has entered into key technology partnerships with Intel and Google and non-exclusive network access arrangements with its carrier partners. These arrangements potentially could lure additional service providers to Milledgeville and extend the reach of the grant funds beyond the original project.

With approximately \$800,000 in grant funding, Milledgeville provided the capital necessary for Clearwire to construct five base stations and backhaul facilities. In addition, Milledgeville agreed to allow Clearwire to use a city water tower as a base station site. In exchange, Clearwire agreed to establish four, free Wi-Fi hot spots within the city and to offer tiered pricing for access to the WiMAX network, including:

- A negotiated number of no-fee service contracts for municipal employees – police, fire and others – and low-cost “digital divide” monthly service contracts for a certain number of low-income recipients;
- College students will pay \$25 a month for service with a 12 month contract and customer-provided equipment; and
- All other subscribers pay standard pricing.

Clearwire also negotiated a time-limited revenue sharing arrangement with the city based on the number of college student subscribers and other revenues.<sup>20</sup>

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<sup>19</sup> *Wireless City Steps Closer* at 1.

With the WiMAX system expected to become operational in October 2009, GCSU was able to secure a Knight Foundation grant of \$1.5 million to fund a program known as “Milledgeville Community Connections, Digital Bridges – Bringing People Together” (the “Digital Bridges” program).<sup>21</sup> The program will identify local challenges and match them with digital technologies to address them, including healthcare, education, government and other areas. Digital Bridges will also establish the Knight Digital Community Center – a neighborhood facility to promote broadband literacy and job training that is targeted to Milledgeville’s low-income community.<sup>22</sup> The Digital Community Center will select the “digital divide” subscribers that pay a highly reduced fee for Internet access on Clearwire’s network.

In summarizing what the launch of Clearwire’s WiMAX network means to Milledgeville, Daniel McDonald of the *Union Recorder* newspaper stated:

For decades, Milledgeville’s economic development efforts have been thwarted by a lack of access to a major interstate road. But those efforts soon may go into high gear as city officials plan their entrance ramp to the Information Superhighway.<sup>23</sup>

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<sup>20</sup> The tiered pricing and revenue-sharing arrangement agreed to by Clearwire and Milledgeville resulted from an arm’s length negotiation and is presented only as an example. Clearwire is not endorsing any particular pricing structure for public/private partnerships. Rather, it should be recognized that the contractual terms between partners are likely to vary widely depending upon many factors.

<sup>21</sup> See Knight Foundation News Release, *Community Based Technology Initiative Launched in Milledgeville, Ga.*, (Dec. 11, 2008), available at [http://www.knightfoundation.org/news/press\\_room/knight\\_press\\_releases/detail.dot?id=339182](http://www.knightfoundation.org/news/press_room/knight_press_releases/detail.dot?id=339182).

<sup>22</sup> See *id.*

<sup>23</sup> Daniel McDonald, *Wireless Network is City’s Access to World Wide Web*, *Union-Recorder*, Aug. 6, 2008, [http://www.unionrecorder.com/archivesearch/local\\_story\\_219221400.html](http://www.unionrecorder.com/archivesearch/local_story_219221400.html).

## DISCUSSION

The Milledgeville project provides a real life example of how the Agencies' policy decisions will shape the outcome of the ARRA's broadband initiatives. The Milledgeville project also supports the following conclusions:

1. *The Agencies should determine that it is in the public interest to deem for-profit enterprises eligible for grant funding.*

The Milledgeville project demonstrates the power of uniting the experience and expertise of commercial broadband service providers with the vision of local officials and non-profit organizations dedicated to bridging the digital divide. From a practical perspective, the deployment of a broadband network is only the first step in Clearwire's support of the Milledgeville project. The city's subscribers will have broader access to Clearwire's networks in Atlanta and beyond as well as access to Clearwire's back-office functions that would be expensive and complex for the city to replicate, such as customer care, technical support and billing.

Offloading these network operations and back office functions upon a private partner will greatly enhance the sustainability of the undertaking. Indeed, maintaining ongoing operations once a network is in place has been a stumbling block for several municipal wireless network projects. Thus Georgia made the determination to favor grant applicants where a private sector company operated the underlying network.

The Agencies should determine pursuant to Section 6001(e)(1)(C) that it is in the public interest to deem commercial enterprises eligible for funding using an easily administered standard such as that employed by the Federal Communications Commission to determine an entity's eligibility to hold a federal license.

2. *The definitions of “broadband,” “unserved,” “underserved” and “rural economic development” must separately account for fixed wireline/wireless service and mobile wireless service.*

If the definitions “unserved” and “underserved” are understood not to apply to areas where cable or wireline broadband is available, Milledgeville could be deemed a “served” community despite its demonstrable need for better broadband access and significant pockets of unserved populations. Fixed and mobile broadband are two separate services serving different constituents targeted by the grant programs. Because mobile wireless broadband offers important capabilities that fixed services lack – such as the ability to provide Milledgeville’s police officers with real time access to crime databases while on patrol and the ability for university students to access educational resources wherever they are – NTIA should separately assess whether an area or population is “unserved” or “underserved” with regard to the availability of both fixed wireline/wireless and mobile wireless. Similarly, RUS should consider an area without mobile broadband access as lacking sufficient “high speed broadband service to facilitate rural economic development.” To do otherwise risks denying consumers access to the benefit of mobility that is critical for public safety, education, health care and vulnerable populations.

Moreover, mobile broadband is becoming an essential tool for people everywhere. Cisco recently estimated that mobile data usage will double every year for the next several years, increasing 66 times between 2008 and 2013.<sup>24</sup> Indeed, as of last year, the average US consumer

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<sup>24</sup> See *Cisco Visual Networking Index: Global Mobile Data Traffic Forecast Update* (Jan. 29, 2009), [http://www.cisco.com/en/US/solutions/collateral/ns341/ns525/ns537/ns705/ns827/white\\_paper\\_c11-520862.html](http://www.cisco.com/en/US/solutions/collateral/ns341/ns525/ns537/ns705/ns827/white_paper_c11-520862.html).

owned 792 digital songs, 672 digital photos and 666 digital videos.<sup>25</sup> Those numbers are expected to triple over the next 5 years.<sup>26</sup> The Pew Internet American Life Project recently concluded that the mobile device will be the primary connection tool to the Internet for most people in the world by 2020.<sup>27</sup> The Agencies should ensure that all Americans can partake in the benefits of mobility, and not consider the job done for populations and areas that remain tethered to fixed networks.

3. *To conduct a technologically neutral assessment of fixed and mobile broadband, mobile wireless broadband speeds must be considered separately.*

Consumers Federation of American and Consumers Union have characterized two types of projects as “no regrets” projects for unserved and underserved areas – “middle mile” fiber and “mobile computing.”<sup>28</sup> “If we set the broadband threshold at the leading edge of currently available mobile commuting, we deliver good mobile and good broadband service with one investment.”<sup>29</sup> The Milledgeville project demonstrates that with an infrastructure grant of less than \$1 million, a community can reap the benefits of a next generation broadband wireless network that can offer access to all of the key applications supported by fixed broadband, yet has the added benefit of mobility. An evaluation criteria based upon broadband speeds achievable only by fixed networks, such as fiber, or requiring symmetric upload and download speeds that

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<sup>25</sup> See Michelle Quinn, *Digitizing life’s clutter*, [http://www.latimes.com/business/la-fi-digitalcover1-2009mar01\\_0,7025104.story?page=1&track=rss](http://www.latimes.com/business/la-fi-digitalcover1-2009mar01_0,7025104.story?page=1&track=rss).

<sup>26</sup> *See id.*

<sup>27</sup> See Janna Quitney Anderson & Lee Rainie, *The Future of the Internet III* (Dec. 14, 2008), [http://www.pewinternet.org/~media/Files/Reports/2008/PIP\\_FutureInternet3.pdf.pdf](http://www.pewinternet.org/~media/Files/Reports/2008/PIP_FutureInternet3.pdf.pdf).

<sup>28</sup> Comments of Consumer Federation of America and Consumers Union, *Report on Rural Broadband Strategy*, GN Dkt. No. 09-29 (FCC filed March 25, 2009) at 3-4.

<sup>29</sup> *Id.* at 4.

only fixed networks can deliver, will deny grant eligibility to wireless applicants offering superior mobility, cost-efficiency, affordability and speed of deployment.

Instead, the Agencies should establish separate threshold speeds for mobile wireless broadband networks which today are capable of delivering 6.0 mbps download and 1.5 mbps upload. At a minimum, an average actual speed of 3.0 download and 768 kbps upload per end user during peak hours should be required for applicants proposing mobile wireless broadband infrastructure.

4. *The Agencies should not prioritize projects aimed at unserved areas to the detriment of underserved areas.*

Regardless how “unserved” and “underserved” are defined, the Milledgeville project illustrates that great work can be done serving populations that are not enjoying the benefits of whatever level of broadband is generally available in their area. The needs of these populations can be as alarming and pervasive as those in markets where no one has access to broadband. Yet, the proponents of prioritizing “unserved” areas over “underserved areas” suggest that no area should get “seconds” while there are still areas waiting for “firsts.” Although highly quotable, this slogan misses the fact that significant populations in a place like Milledgeville were completely bypassed when “firsts” were being handed out. Because of lack of education or computer illiteracy, expense associated with existing broadband services or equipment, or membership in a vulnerable population such as low-income, unemployed or elderly, their needs are compelling.<sup>30</sup> Indeed, Section 6001(b) of the AARA establishes five purposes for the NTIA grant program, including serving unserved and underserved areas, giving equal weight to all five purposes. The Agencies should do the same.

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<sup>30</sup> Although approximately 92 percent of U.S. households have access to some form of broadband service, only about 61 percent of U.S. households subscribe to broadband service. See NCTA White Paper at 8-9.

5. *The mix of capabilities offered by a grant applicant should be taken fully taken into account.*

As WCAI states in its comments, broadband services are comprised of different product markets that offer consumers different capabilities, irrespective of the broadband speed provided or the technology used. The Milledgeville project shows that projects should not be graded based on a single factor, such as speed. Rather, the mix of capabilities offered by a grant applicant should be taken fully into account. This mix includes the cost-effectiveness of the planned network deployment, predicted time to market and the sustainability of the program once the grant dollars have been spent. Other factors include affordable subscription price and equipment prices, interoperable equipment and the size of the proposed service footprint. These are all positive attributes of the Milledgeville program.

6. *The Agencies' application selection criteria should consider whether multiple purposes or populations would be served by an application.*

The Milledgeville project shows that communities that are plagued by low-income, high-unemployment and geographic isolation are likely to reap significant benefits when access to next generation mobile broadband is coupled with a plan to enhance public safety, education and job training/creation opportunities. As part of its cost-efficiency analysis, the Agencies should score applications that serve multiple purposes or populations targeted by the ARRA higher than single-purpose applications. For example, in Milledgeville, the program was aimed at increasing broadband affordability and subscribership among targeted groups such as the area's college students, unemployed and low-income residents. In addition, it was crafted to benefit the city's public safety community. Finally, Clearwire's commitment to open network principles will encourage new service providers and equipment vendors to enter the community, thus spreading the stimulus effect of the grant beyond its original recipients. Encouraging and rewarding the submission of multi-faceted projects will ensure that grant dollars reach the largest number of

potential beneficiaries, will create incentives for creative public/private partnerships and will encourage the collaboration of commercial and non-profit entities.

7. *The “State” role should include consultation with local communities and other local institutions.*

It was Milledgeville’s city government that identified the myriad of needs that could be addressed by the deployment of a wireless mobile broadband network in the city. In addition to the States, the Agencies should consider the views of local communities, including public institutions of higher learning, school boards, public safety agencies, local governments and non-profits serving the community. This collection of institutions is likely to have precise knowledge of the needs of the community and the types of projects to fulfill those needs.

8. *The Agencies should favor applicants committed to open access, networks and devices.*

Grant recipients should be required to adhere to the four principles of the FCC’s 2005 Internet Policy Statement and the non-discrimination obligations therein. This requirement is particularly suitable for a grant process where applicants will be apprised of the obligation before submitting a proposal and where there is only a limited grant pool to satisfy great demand. In addition, these open network practices will permit consumers to download and use any software applications, content or services they desire, subject to reasonable network management practices and law enforcement and public safety considerations. The open network concept model will permit customers to purchase a variety of devices through any number of consumer electronics distribution channels, connect to the network, activate the devices, and select from a variety of rate plans without having to purchase devices or applications directly from the grant recipient. This will drive innovation and investment in the development of broadband devices and applications beyond that contemplated by the initial application grant.

9. *The Agencies also should favor applicants committed to provide access to their networks.*

Similarly, the Agencies should favor applicants committing to offer non-exclusive access to their networks, such as Clearwire's distribution agreements with other carriers. By accommodating such arrangements, the grantee may attract additional service providers to the area which will have a multiplier effect – extending the benefits of the grant beyond the original grantee.

### CONCLUSION

Clearwire looks forward to working with the Agencies and the FCC in establishing a fair, fast and cost-efficient process for distributing grant funds to meet the purposes of the ARRA.

Respectfully Submitted,

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