



NEW YORK STATE LEGISLATURE

September 24, 2015

Honorable Kathleen Burgess
Secretary
New York State Public Service Commission
3 Empire State Plaza
Albany, New York 12223-1350

RE: Public Service Commission Case 14-C-0370

Dear Secretary Burgess,

We would like to first thank the Public Service Commission for hosting public hearings and information sessions across the state to allow for all New Yorkers to comment and allow for their concerns to be heard regarding the state of telecommunications in New York State. This process, in terms of determining whether or not current laws and regulation are strong enough to protect the public interest, is critical in ensuring the Empire State has a competitive and well-regulated telecom marketplace.

In much of Albany County, in addition to a wide portion of the state, there are limited consumer and business options for telecom services, which include cable television, broadband, and telephone service. Presently, Time Warner Cable is the incumbent cable provider and primary option in the City of Albany and most of the surrounding municipalities. However, in other municipalities, such as New York City, options include an incumbent cable provider and Verizon FiOS, creating a marketplace for consumers to choose their provider.

FiOS, which operates in parts of 15 counties outside of New York City¹, regularly touts its high-speed broadband of up to 500 megabits per second. In much of Upstate New York, including in the majority of our districts, broadband of this speed is not available and providers are not making the necessary upgrades to offer such speeds. This puts the Capital Region at a competitive disadvantage with other municipalities around the country that have providers that offer higher speed and more affordable broadband. It also won't be long before even faster broadband is available which would place the majority of New York even further behind. Verizon has been experimenting with an upgraded version of FiOS capable of up to 10 gigabits per second², 10 times the capacity of Google Fiber (widely seen as one of the fastest internet carriers in the country).

Verizon's experiment with ultrahigh speed broadband technology is commendable; however, the decision in the late 2000s to stop expanding its fiber broadband service³ to all communities in New York has had an adverse impact on the ability of communities to compete in a world where high

¹ "Verizon FiOS Availability Map" (Fiber For All, accessed Aug. 13, 2015) <http://fiberforall.org/fios-map/>

² "Verizon's new, experimental FiOS service is 10 times faster than Google Fiber" (Washington Post, Aug. 12, 2015) <https://www.washingtonpost.com/news/the-switch/wp/2015/08/12/verizons-new-experimental-fios-service-is-10-times-faster-than-google-fiber/>

³ "Verizon winds down expensive FiOS expansion" (USA Today, Mar. 26, 2010) http://usatoday30.usatoday.com/money/industries/telecom/2010-03-26-verizon-fios_N.htm

speed internet is increasingly necessary. This decision has left many areas of the State with little to no choice when it comes to broadband. Broadband is especially important in the Capital Region to support the growing high-tech economy where residents and entrepreneurs would use higher speed broadband to connect and interact with the rest of the digital world.

Furthermore, as high tech continues to be a high growth area for our region, underserved, urban centers such as parts of Albany and Troy, along with rural areas, need broadband as a method to lift families out of poverty and provide access to new opportunities.

As this study advances, we urge the Commission to take actions which expand competition in the broadband marketplace. One such option, municipal broadband, should receive consideration and study. The City of Albany, for example, is beginning to explore the building of a municipal broadband network and recently issued an RFP⁴ for a study to assess its current broadband options and the feasibility of building a municipal broadband network.

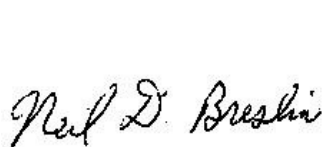
The Commission must take actions to reduce market barriers, such as ensuring fair, reasonable, and timely access to utility poles or conduits, for all new providers of broadband including municipalities. The pole attachment process is a good example of a complex and high cost barrier and the FCC noted in its 2010 National Broadband Plan that “the expense of obtaining permits and leasing pole attachments and rights-of-way can amount to 20 percent of the cost of fiber [broadband] deployment.” However, this cannot come at an additional expense to municipalities – many of which are cash-strapped and unable to carry a burden best left to a utility to manage and finance.

Without widespread deployment of new and improved broadband service, the Capital Region may be limited in terms of potential economic development. If residents and businesses are left behind in the next chapter of the technology revolution, our region and State will invariably lose the momentum of billions of dollars in investment that have made communities in Upstate New York a beacon for high-tech economic development.

We urge the Commission to expedite its evaluation and review of telecommunications in New York and examine additional ways and concepts of creating a more robust regulatory framework that would ensure all consumers and businesses a choice of telecom options that fit their needs, while creating and retaining good jobs for New Yorkers.

We appreciate the chance to comment and would welcome any additional opportunities for discussion and input.

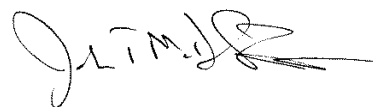
Sincerely,



Neil D. Breslin
Senator
46th District



Patricia A. Fahy
Member of Assembly
109th District



John T. McDonald III
Member of Assembly
108th District

⁴ http://www.albanyny.org/Libraries/RFP/Broadband_Feasibility_Study_RFP_2015-08.sflb.ashx