



March 3, 2022

New York State Public Service Commission
Hon. Michelle L. Phillips, Secretary
Three Empire State Plaza
Albany, New York 12223-1350
secretary@dps.ny.gov

Re: Matter No. 21-02182

Dear Members of the Public Service Commission:

The Buffalo Niagara Partnership, on behalf of its members who employ over a quarter million people in the region, thanks you for your collection of testimony to bridge the digital divide in our state. Lack of access to broadband is an unfortunate reality in New York. As the federal and state governments prepare to make needed investments to address this problem, it is essential that a plan is in place to ensure these investments achieve their intended goal.

The BNP makes the following suggestions concerning the availability, affordability, and adoption of residential and commercial broadband internet access services in the State of New York:

- **Address both unserved and underserved areas.** Broadband efforts have made a distinction between unserved areas – those that completely lack access to broadband and its infrastructure – and underserved areas – those where available speeds are below those demanded. New York must address both issues. In unserved rural areas, significant capital investment is still required to build last-mile broadband connections. Making these connections can cost five figures; few residents can afford to make such an investment. Public resources are required to equip these communities with broadband. At the same time, our broadband needs are changing. The growing popularity of remote work and schooling, videoconferencing, movie streaming, and online gaming mean that communities with existing broadband access now require greater speeds. While providers have invested their own resources into addressing both issues, both require significant public investment as well.
- **Remove the fiberoptic right-of-way tax.** In 2019, the state enacted Section 24-e of Article 10 of the Highway law. This section charges an occupancy

fee for fiberoptic cables on state rights-of-way. At a time when governments and providers are investing billions into this problem, it is essential that these resources are spent effectively. This tax makes providing broadband even more expensive, wasting public resources and delaying progress. The state should repeal this tax before more investments are made.

- **Leverage public-private partnerships.** The public is best served by private service providers in a competitive market. Broadband networks owned and managed by state or municipal entities unduly inhibit competition and slow buildouts. Government-run broadband programs should be avoided, and public entities should partner with qualified private companies to provide broadband service.

Thank you for your time and attention to this issue.

Sincerely,



Grant Loomis
Vice President, Government Affairs
Buffalo Niagara Partnership