

Pennsylvania Telephone Association

*"The Communications
Leader in Pennsylvania"*

The Friday Report

February 26, 2010

INDUSTRY NEWS

- It's all about the infamous "middle mile" according to participants in a Catholic University symposium held this week in Washington, D.C. Participants were speaking specifically to the soon to be released FCC national broadband plan and Chairman Julius Genachowski's indications that middle mile connectivity is critical if universal coverage with speeds of 100 megabits are to be achieved. Verizon senior vice president Kathy Brown throttled back a bit on the enthusiasm by offering that an open-sourced middle mile may not be the best alternative, adding that "the government isn't very good at operating networks." (See related story in Quotable section).
- The mere submission of Form 477 broadband subscribership data forms for FCC review is not good enough for the group Free Press who, earlier this week, asked the Commission to allow interested parties to review the data under a protective order. With regard to competitively sensitive information, FP said that the analyses which it intends to perform "will not cause substantial competitive harm."

LEGISLATIVE NEWS

- The five PUC Commissioners appeared before the Senate Appropriations Committee on Tuesday to address the Commission's budget proposal for the upcoming fiscal year. Senator Larry Farnese asked about Senate Bill 1164 and recent Commission action on *Palmerton v Global NAPs*. In response, Chairman Cawley explained that the Commission ruled that *Palmerton Telephone* was indeed entitled to payment of access charges and that *Global NAPs* was not, as it had claimed, an information service provider but rather a telecommunications provider over which the PUC has jurisdiction.

THE DAILY NUMBERS

- 90, 2020, 10, 73

According to the results of a consumer survey released by the FCC earlier this week, the Commission must focus on making broadband access more affordable to achieve its goal of a 90 percent take rate by the year 2020. Unfortunately, according to "Broadband Adoption and Use in America" even a broadband offering at \$10 a month would only boost penetration rates to 73 percent. Targeting digital literacy, comfort with technology and/or a perceived lack of relevance of the Internet are critical issues to address according to the report.

QUOTABLE

- *“Universal service is one of the hardest nuts to crack. There are many companies dependent on that funding. We want to come up with the right way to shift the course of the battleship without having anyone fall over.”*

Comments of FCC Chief of Staff Edward Lazarus to attendees at a Washington, D.C. symposium sponsored by Catholic University. Lazarus offered that the Commission will unveil a series of rulemakings dealing with Universal Service after the national broadband plan is submitted to Congress.