



June 19, 2018

The Honorable John Thune
Chairman
Senate Committee on Commerce, Science, and Transportation
Washington, DC 20515

The Honorable Bill Nelson
Ranking Member
Senate Committee on Commerce, Science, and Transportation
Washington, DC 20515

Re: Federal Communications Commission WC Docket No. 18-141: Stop the Broadband Competition Cut Off

Dear Senators Thune and Nelson:

Broadband growth and the economic success of our nation are intertwined. As the leaders of broadband companies, large and small, we are dedicated to the deployment of new networks that bring faster, more affordable service to communities across America. Our companies build state of the art, Gigabit speed fiber networks, and in many cases, supply the only network access for communities that have been abandoned by incumbent providers.

The recent bipartisan commitment in Congress to broadband deployment is tremendously encouraging. Streamlining regulations and encouraging free market broadband deployment policies will benefit consumers, small businesses, schools, health institutions, and public safety. Congress' work to expand rural broadband and speed the deployment of next generation networks is a national priority and commitment we share.

We write today to inform you of a new effort that threatens to undermine these shared broadband goals and do great harm to the communities you serve. Last month, a petition was filed at the Federal Communications Commission (FCC) led by AT&T through their trade association, USTelecom. The petition, if granted, will cut off competition and raise prices on broadband customers. The petition seeks to end wholesale obligations put into law under the 1996 Telecommunications Act that have brought about significant innovation and lower prices.

The petition takes aim at critical broadband connections – infrastructure that unites consumers with competition. Referred to as UNEs (unbundled network elements), these connections expand

markets and unite residential customers, businesses large and small, schools, libraries, and hospitals with more choices for telecommunications service providers.

The petition to cut off competition threatens our national deployment agenda, specifically targeting:

1. New Fiber Deployment

Currently, the market for building new fiber networks has never been better. America's appetite for internet content and services, from streaming to cloud storage, has created incentives for building new networks of the future. In markets where competitive providers have installed Gigabit fiber networks, speeds rise, prices fall, and the incumbents are forced to invest. But AT&T's petition, if granted, changes the game for everyone. Cutting off competitors' access to critical network elements in key areas dramatically reduces the pool of customers in each market, reducing competitive investment incentives. This also creates an incumbent incentive for milking money from old, outdated lines rather than investing in new fiber deployment.

2. Rural Broadband

Rural communities across America have long relied on competitive broadband providers for more affordable internet choices. This includes many schools, local governments, and public safety systems that provide critical services. In several rural communities, our companies are the only broadband provider because the incumbent provider has abandoned the market altogether. This move AT&T is seeking would mean our companies will no longer be able to provide broadband service, cutting off entire communities from the jobs and economy of the future.

3. Price Hikes

More competition keeps prices affordable for all customers. But through this petition, AT&T is seeking an *immediate* price increase of 15 percent. The unnecessary price hike will impact residential and small business customers in your districts. It's one thing for AT&T to raise prices on their own customers, but by targeting price hikes in the wholesale marketplace, AT&T has the power to raise prices on those who have rejected their service.

Thank you for taking the time to learn more about the issue. USTelecom's under-the-radar request is antithetical to all of Congress' bipartisan broadband deployment goals. We wanted to alert you to this situation and hope to serve as a future resource for your offices and staff. We look forward to working with you on this issue.

Sincerely,

/s/Mike Strople
Mike Strople, President
Zayo Group's Allstream Business Unit

/s/Brian Worthen
Brian Worthen, CEO
Mammoth Networks

/s/Jim Bellina
Jim Bellina, President
Dialog Telecom LLC

/s/Alan Yoder
Alan Yoder, President
SmartCom

/s/Jeff Buckingham
Jeff Buckingham, President
Digital West

/s/Peter Engdahl
Peter Engdahl, President
SnowCrest Inc.

/s/Margi Shaw
Margi Shaw, CEO
First Communications

/s/George Pfenenger
George Pfenenger, President
Socket

/s/Gordon Hutchins
Gordon Hutchins, President
Fusion

/s/Dane Jasper
Dane Jasper, CEO
Sonic

/s/Dan Bubb
Dan Bubb, President
Gorge.Net

/s/Richard Jalkut
Richard Jalkut, CEO
TPX Communications

/s/Fletcher Kittredge
Fletcher Kittredge, CEO
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/s/Jeffrey Strenkowski
Jeffrey Strenkowski, Vice President
Uniti Fiber

/s/Jerrod D. Reimer
Jerrod D. Reimer, CEO
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/s/Tony Thomas
Tony Thomas, CEO
Windstream