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**“Implications of Broadband Technology Capabilities  
for Achieving Universal Service Objectives”**

**Summary for FCC Workshop Panel, April 27, 2011**

- Park Region Mutual Telephone Company is a cooperative founded in 1906 operating in west central Minnesota. Since that time, the company has purchased Valley Telephone Company in southern Minnesota and established a facility based fiber to the curb CLEC known as Otter Tail Telecom. Both Park Region and Valley currently have 100% availability of wired broadband service while Otter Tail Telecom utilizes its own facility to provide wireline broadband and fixed wireless technologies to serve rural pockets. The companies have experience with broadband technologies including licensed and unlicensed wireless, satellite, copper, and fiber.
- Reform of universal service fund (“USF”) mechanisms should ensure that consumers in rural and high-cost areas obtain *and* retain access to services that are reasonably comparable in function, quality, and price to those available in urban areas.
- The availability and affordability of reasonably comparable services will depend upon networks that satisfy today’s demands and are scalable for those demands expected over the life of the network.
- Efficiency must be defined by not only what is cheapest now, but what investment will meet anticipated demands for years to come. Networks are built with decades in mind. It will likely cost more – and put more strain on USF support and ultimately on consumers – to deploy (and re-deploy) a network that meets 3 mbps/768 kbps today, 4/1 mbps in 2 years, and then 8/2 mbps a few years after that.
- Some consider wireless services to be the definitive solution for efficient network deployment. As someone who operates both wireline and wireless network technologies, I must comment that this is an overly simplistic view that misses the mark in several ways, and this view would actually harm us as a long-term policy driver:
  - Wireless spectrum is a limited resource;
  - Fixed and mobile services are retail complements – most consumers don’t see them as substitutes and rely on each differently;
  - Wireless networks can be more expensive to deploy depending upon the characteristics of the area to be served;
  - Fixed and mobile wireless networks don’t work without access to robust wireline networks – cell towers need backhaul, and Wi-Fi networks move quickly to wireline; and
  - The FCC can’t expect robust, sustainable wireline networks in rural areas if those networks would exist largely to serve only retail wireless providers and community anchor institutions.