

SEPARATE STATEMENT OF CHAIRMAN MICHAEL K. POWELL

Re: Inquiry Concerning the Deployment of Advanced Telecommunications Capability to All Americans in a Reasonable and Timely Fashion, CC Docket No. 98-146

This *Report* culminates the latest in a growing list of broadband proceedings that the Commission has conducted recently to help fulfill section 706's mandate that we encourage the deployment of high-speed communications services to all Americans.

Over the last several months, the Commission has begun an examination of regulatory requirements for incumbent LEC broadband telecommunications services and expanded our consideration of broadband deployment as a goal in the context of triennial review of section 251 unbundling requirements. In the coming weeks, we will consider the statutory classification of high-speed Internet access provided via cable modems, as well as initiate an inquiry regarding the appropriate regulatory treatment of broadband Internet access provided by telephone companies. As the *Report* details, there are several additional proceedings that directly address broadband deployment, including those that seek to promote intramodal competition among incumbent LECs and their competitors and those that seek to facilitate spectrum-based broadband offerings. And these examples do not include the myriad other formal and informal activities undertaken by me, my colleagues, our fellow federal and state policymakers and our able staffs that will address some aspect of broadband deployment.

In sum, our demonstrated commitment to spurring broadband deployment is as varied as it is pervasive. It is one of our highest priorities and is never far from our thoughts as we decide communications policy.

It is in the context of these many efforts that I write separately to underscore my support for this *Report*. I agree with the *Report's* finding that broadband is being deployed in a reasonable and timely manner, notwithstanding my firm belief that the Commission's central policymaking focus is and should remain the promotion of efficient broadband deployment. Although one can easily point to specific communities or categories of customers in which broadband is not yet fully available, the record amply illustrates that the broadband market continues to grow, and that overall availability and subscribership have increased significantly, despite some slowing investment trends. Likewise, the *Report* shows that availability and subscribership have enjoyed strong growth even in the categories of residential and small business customers, low-income consumers and people within sparsely populated regions. The *Report* bases these conclusions not only on the extensive data the Commission collects as part of its ongoing data gathering efforts, but also based on various governmental, industry and analyst assessments. In this regard, I would note that the conclusions in this *Report* are consistent with the Commerce Department's recent finding that one of the key drivers of

broadband deployment, computer usage, is increasing for Americans regardless of income, education, age, race, ethnicity or gender.¹

Certainly, we should strive for more granular or direct data upon which to make the findings required under section 706, though obtaining it is easier said than done, as many analysts have learned. But it is misleading to suggest that the zip code data used in our evaluation provide little useful guidance on broadband deployment. Because the leading forms of broadband technology (DSL and cable modem) involve upgrading significant portions of existing networks, we know that the presence of at least one subscriber in a zip code means that there are probably many other subscribers who also have broadband available in that zip code, particularly where a service provider is mass marketing the service. And although the *Report* does correctly indicate that 97% of the country's population lives in zip codes that have some broadband deployment, it is careful not to conclude that all of those people currently have broadband available. We also must recognize that collecting additional broadband data at the Commission may burden service providers or subject them to competitive injury, thereby inhibiting their ability to contribute to the very deployment we seek to promote. In any event, the judgments we make here are reasonable and more than adequately supported by the many internal and independent sources cited or discussed here, and so I support these judgments fully.

In closing, I would reiterate that our finding that broadband deployment is reasonable and timely in no way suggests that we should flag in our efforts to foster deployment. Section 706 mandates that we promote the availability of broadband whether or not we conclude that deployment is reasonable and timely. And promoting such deployment is clearly imperative if we are to enjoy the full promise of our economy and our democratic society. Thus, the Commission will continue to carry out and expand upon the prodigious array of proceedings and other activities that I reference above. I eagerly anticipate, in particular, continued partnership with our state utility commission colleagues. It is through their individual efforts, and those of the Federal-State Joint Conference on Advanced Services that we have made enormous progress in highlighting the urgency of promoting broadband, in sharing potential solutions, and in continuing a dialogue that will yield further benefits to our regulatory efforts and to the public generally. I look forward to working with the states, and with my federal counterparts, on this worthy and critical endeavor.

¹ U.S. Department of Commerce, National Telecommunications and Information Administration and Economics and Statistics Administration, *A Nation Online: How Americans Are Expanding Their Use of the Internet* 3 (Feb. 5, 2002).