

STATE OF VERMONT
DEPARTMENT OF PUBLIC SERVICE

IN RE: THE 2014 VERMONT TELECOMMUNICATIONS
PLAN

August 27, 2014
7:00 p.m.
Barre, Vermont

Public Hearing held before the Vermont
Department of Public Service, at Alumni
Hall, Barre, Vermont, on August 27, 2014,
beginning at 7:00 p.m.

P R E S E N T:

Vermont Department of Public Service:

James Porter, Esq., Director of Telecom
Clay Purvis
Corey Chase

COURT REPORTER: Deborah J. Slinn, RPR, CSR
California CSR 7918
New Hampshire CSR 79

CAPITOL COURT REPORTERS, INC.
P.O. BOX 329
BURLINGTON, VERMONT 05402-0329
(802) 863-6067
(802) 879-4736 (Fax)
E-MAIL: Info@capitolcourtreporters.com

Page 2

1 SPEAKERS:

2 Christine Stumpf

3 Bran Towbin

4 Tony Campos

5 Rob Chapman

6 Henry Swayze

7 Chuck Sherman

8 Jason Powell

9 John Bloch

10 Andy Behrens

11 Charlie Larkin

12 Steve Whitaker

13

14

15

16

17

18

19

20

21

22

23

24

25

1 MR. PURVIS: Hello. Whoops, that's
2 pretty loud. Hello, welcome. My name is
3 Clay Purvis. To my left I have Corey Chase,
4 to my right I have Jim Porter from the
5 Department of Public Service. We're here
6 tonight to discuss the ten-year
7 telecommunications plan. Public comments,
8 drafts that's been released in tonight's
9 hearing is to hear your comments on that
10 draft. The draft generally covers the
11 State's telecommunications needs, telephone,
12 broadband, and cable television.

13 I think the way we'll work tonight is
14 instead of people getting up, since we have
15 this mic we can have the mic passed around,
16 so if you would like to speak, please raise
17 your hand and the mic can come to you.

18 Because we have a court reporter, things
19 will be on the record. So if you could
20 please state your name and spell your last
21 name and your first name as well. So with
22 that I think we should get started.

23 And I would also like to mention that
24 after the hearing we're welcome to answer any
25 of your questions that you may have. Thank

1 you.

2 Would anyone like to come speak?

3 Charlie, I want to try to give someone
4 else a chance first, if there is. If no one
5 is interested in --

6 CHRISTINE STUMPF: I will speak. I
7 missed what you gave us as a queue for --

8 MR. PURVIS: What do you mean queue?

9 (Discussion held off the record)

10 CHRISTINE STUMPF: My name is Christine
11 Stumpf. S-t-u-m, like Mike, P like Peter, F
12 like Frankenstein.

13 And I'm from East Randolph, Vermont,
14 which is in Orange County. And I'm actually
15 here to ask you to consider having other
16 hearings because there are four, they are all
17 this week, end of August. None of them are
18 in either Orange County or Windsor County.
19 And those are two of the most unserved
20 counties that we have in Vermont. They are
21 highly agricultural, we don't have a lot of
22 density.

23 Personally, for eights years now I have
24 had -- FairPoint, Comcast. This year I
25 signed up with -- I couldn't get a shot of

1 the satellite. I called Verizon and AT&T,
2 cellular data, but we are kind of in a valley
3 at the junction of 14 and 66, so we're hard
4 to serve. And that's, by the way, going to
5 be the problem we are going to have as far as
6 the umbrella. A lot of unserved -- we're
7 talking a little area. Vermont is
8 challenging that way.

9 And who else have we tried? SilverNet,
10 they went right down 14. And they buried the
11 whole thing. I went conduit? Can you put
12 conduit in so that they can pull more through
13 there. I don't think they did conduit.

14 So then I went to try and just kind of
15 go to all of my neighbors because we were all
16 desperate. And I mapped all of the
17 businesses in our area. And there are -- we
18 do have Comcast which, of course, everybody
19 gets the usual story with Comcast. There is
20 a little bit of Comcast right at the junction
21 of 14 and 66 where there is some density.

22 So my next door neighborhood who is not
23 very faraway, has seven children she is
24 trying to educate of which only four are
25 hers, and the rest are adopted or fostered.

1 And, you know, try educating your kids when
2 you can't get them the Internet to Google the
3 stuff for their homework. And all the
4 standardized tests are starting to be online.
5 And so she went to Comcast and, my
6 understanding, quoted us for \$12,500.

7 So the problem that we're having is that
8 we can't get anybody to come. So I finally
9 went and documented everybody who is trying
10 to start a business in our neighborhood. And
11 there are 30 -- there's actually 52 total
12 which a couple of them have Comcast.

13 Businesses, we can't get a website. Try
14 starting a successful business when the only
15 people that know about you are your next door
16 neighbors in a low density area. This is all
17 over the place. They range from somebody
18 wanting to do a storage business. There is a
19 couple of construction. There is a building
20 business. There is a business for people who
21 have disabilities, communication, they can't
22 speak. We're an equine rehab. You know, if
23 you want the list, it's all on the table.

24 So there is even a chance that we can
25 help tax holes in Vermont, but we need the

1 State to help us get there so that we, you
2 know, grow and prosper and have jobs for our
3 kids.

4 So back to the hearings. I said I was
5 going to talk about having more hearings. So
6 there are two really underserved counties in
7 the State of Vermont. They are Orange and
8 Windsor. And there are four hearings, and
9 not one of them is in those counties. And
10 they are all at 7:00 in the evening. And
11 those two counties, by the way, are pretty
12 agricultural.

13 So, for example, I'm here on an equine
14 farm. My neighbor to the right is a dairy
15 farmer. Just back over the hill is Silloway
16 Farms. And then we've got small farms, a
17 little bit down, there is All Big Dairy. Try
18 coming to a public hearing, make a public
19 comment, when it is 7:00 at night and you
20 have to get up at 4:00 in the morning. And
21 you have to drive to the next county to do it
22 and drive back.

23 So my request is can we have some more
24 hearings, because there are people who
25 really, you know, want to speak, but they

1 can't get to the places that the hearings are
2 being held.

3 And the other thing is, I don't know if
4 people are aware of this, because you think
5 it's farming, you know, it's cows, but the
6 agricultural industry, if you look especially
7 at the country as a whole, is getting
8 incredibly technological. In fact,
9 technology is now agricultural. It's some
10 stuff you can think about the general
11 marketing process, price. Nowadays, markets
12 are electronic, you need to be able to adjust
13 your product to the current demand. That
14 typically is also easiest to find
15 electronically.

16 So there's a lot of reasons broadband is
17 really open, actually running your milking
18 'stuff. Believe it or not there is a system
19 that ties all of that really modern stuff
20 that if you can tie that into the network, it
21 makes you more competitive.

22 Vermont is a boutique place. No way to
23 get away from that. But our boutiqueness is
24 going to get a lot more -- and a lot easier
25 to sort of sell on the market if we can get

1 these cows online. So I'm here to say please
2 have more hearings.

3 MR. PORTER: Can I ask you two
4 questions?

5 CHRISTINE STUMPF: Sure.

6 MR. PORTER: Certainly in your area I
7 think we should add a hearing. Where would
8 you recommend? I've certainly been to
9 Bennington and Vershire.

10 CHRISTINE STUMPF: Yep.

11 MR. PORTER: But not in a couple of
12 years. I think that's a good idea. Where do
13 you think would be the best location?

14 CHRISTINE STUMPF: I would do South
15 Royalton. They have a law school there.

16 MR. PORTER: Okay.

17 CHRISTINE STUMPF: Or maybe Bethel.
18 Because you've got the grange there. That's
19 a good enough size building that you would be
20 able to have people come in, but it's not so
21 big that they're going to be swimming in it.
22 And that's pretty easy to get to. So that
23 would be for Orange.

24 For Windsor, if you could give me an
25 e-mail address, I will send you something

1 from my phone.

2 MR. PORTER: Okay.

3 CHRISTINE STUMPF: So --

4 MR. PORTER: And then -- go ahead.

5 MR. PURVIS: I was going to ask what
6 time? I mean, you said that time is a
7 problem; so --

8 MS. STUMPF: For farming?

9 MR. PURVIS: For farming, but with --

10 CHRISTINE STUMPF: Most people milk
11 around four. And usually in the mornings you
12 are milking around five or six, and then in
13 the afternoons you get extra -- so if you can
14 get something in the middle of that time
15 period. So if I need to go work with the
16 horse people who are also dairy people,
17 typically I'm trying to show up either after
18 milking which is usually around six, 6:30.
19 Even seven would be okay, but it has to be
20 close to them. But I would aim for something
21 midday. And actually give me an e-mail
22 address and I will poll, say, four or five
23 dairy farms that are in my immediate area,
24 because they have a slightly different
25 schedule, and get back to you.

1 MR. PURVIS: That would be great.

2 MR. PORTER: That would be great. We'll
3 definitely do that in either South Royalton
4 or Bethel. If you have time after the
5 hearing to meet with us, if you don't have to
6 leave before, I would like one of us to talk
7 to you about the gathering of neighbors. I'm
8 interested in doing that and would like to
9 pursue that a little bit --

10 CHRISTINE STUMPF: Sure.

11 MR. PORTER: -- if we could. If you
12 have been here for the entirety, we can talk
13 after or --

14 CHRISTINE STUMPF: Absolutely.

15 MR. PORTER: That would be great.

16 CHRISTINE STUMPF: I do want to say one
17 thing, it may not be pertinent to the plan.
18 I've read the plan. I have some comments on
19 it. Hopefully you will have a hearing in my
20 neighborhood and my neighbors and I will
21 come. And I will say it then.

22 But I wanted to say that I know that VTA
23 doesn't have the best rep and we obviously
24 don't have Internet so we are not a big
25 success story. But I called everybody and

1 finally I called VTA. And I reached somebody
2 named Cara Thompson. And she actually has
3 tried to help us.

4 And so one of the grants is going out.
5 And just to be clear, I reached out to them,
6 and then I ended up going over to ECFiber.
7 And they said we don't have a rep in your
8 area. Do you want to come and be a rep? So
9 now I'm talking to them, we need it.

10 So, but they actually have tried to help
11 us when everybody else just said no. So I
12 know they've got it, but personally my
13 experience is really positive and --

14 MR. PORTER: I think that's great. Just
15 so you know, the legislature this year has
16 created an activity fund where providers can
17 come in and apply for money. Talking about
18 adding a full-time facilitator who could be
19 approved to work with somebody, so that's --
20 I appreciate it. That's great.

21 CHRISTINE STUMPF: Super. I guess in
22 the spirit of whole disclosure I should tell
23 you that this is my life now. I pick up a
24 lot of poop and I teach people how to train
25 horses. I had started out doing software.

1 And if you ended up looking at the section of
2 the CTO for cable and wireless for a little
3 while, just on their data site, so don't ask
4 me why I ended up in Vermont, no Internet. I
5 built the systems early on on the town
6 horizons.

7 MR. PORTER: Really.

8 CHRISTINE STUMPF: So that's part of the
9 reason why I am so desperate. Gives a reason
10 why I'm hanging out, no one can reach me.

11 But all my neighbors want to do is
12 educate their kids, and all are trying to
13 start businesses. And at the moment our
14 brakes are so bad that Gary, he is actually
15 fixing our cars. So please, please, we don't
16 want to have to keep fixing ours cars.

17 BRAN TOWBIN: Hello. My name is Bran
18 Towbin.

19 THE REPORTER: I'm sorry, could you
20 please spell your name?

21 BRAN TOWBIN: Bran, B-r-a-n. Last name
22 is Towbin, T-o-w-b-i-n.

23 THE REPORTER: Thank you.

24 BRAN TOWBIN: Thank you very much for
25 having this meeting. I have not actually had

1 a chance to go through carefully the report.
2 I will say a couple of things, and I'm
3 wearing two hats here. One is I am on the
4 board of CVTV. And the other is I am a
5 select board member of Plainfield.

6 I have had a number of interactions with
7 telephone companies. And in the case of
8 CVTV, Charter Communications, what I find is
9 corporations that feel empowered and entitled
10 to push local people around, small entities
11 around.

12 I'll give you a couple of examples. One
13 is in the town of Plainfield we have Cloud
14 Alliance. It has a tower with collocation
15 capabilities. VTel wants to place a tower in
16 violation of our local zoning, about 1500
17 feet away from Cloud Alliance tower.

18 They will not come to terms with Cloud
19 Alliance in terms of collocating. And if you
20 sort of read between the lines, they are
21 getting publicly funded, as I understand it,
22 through federal dollars to build the town a
23 new tower which would not have collocation
24 capability.

25 They make the argument, I think some

1 suspect the argument, that they will serve
2 more people. I think that's a technical
3 issue. But what I'm getting at is that when
4 it comes to Act 248, I really think that
5 substantial deference needs to be paid to
6 local communities. And it is quite a burden
7 to put on select board and zoning officials
8 to compete against an entity that's really
9 just trying to, in my view, it seems pretty
10 apparent they are just trying to get a free
11 tower. I don't think that helps anybody.

12 I mean, I listen to this woman, you
13 know, who lives in an area that's completely
14 underserved. And we're funding, you know,
15 VTel to build out a tower for eighty or a
16 hundred thousand dollars. It's unfortunate.
17 Now they will have experts and argue the
18 other side. Let's not get into that right
19 now.

20 Another instance is Sovernet had to put
21 in some high speed fiber down Route 2. And
22 ran it into the town of Plainfield. And
23 ironically, I think there is some mandate
24 where they run it up to the Cloud Alliance
25 tower on the hill.

1 I requested that they, instead of going
2 down one street and then another street, if
3 they had gone down Main Street they would
4 have hit the fire department and the
5 municipal building.

6 They said well, no, we're not going to
7 do that. We're going to run it our way. And
8 if you want to get, you know, if you want to
9 assemble a bunch of customers, you can run it
10 to those things.

11 Now I think if something is being funded
12 by the taxpayer that the fire department and
13 municipal building deserve consideration as
14 well as the library.

15 What I'm getting at here is the overall
16 sense that these large corporations don't
17 really care about the local people on the
18 ground. And that's disturbing which brings
19 me finally to CVTV.

20 Public access is viable. The government
21 representative from Charter Communications
22 that came and addressed our Board showed
23 nothing but contempt for public access, and
24 it really got me upset. This is somebody who
25 basically wants to fund everything in a

1 diminuous fashion and has no regard for
2 fully funding what I consider to be their
3 obligations.

4 And I look forward to reading your plan,
5 but I hope that in the plan there are
6 resources and ways that the small player who
7 is actually funding these guys with all these
8 taxpayer resources stands a chance.

9 Now, CVTV has a wonderfully talented
10 board, but I'm sure there are many small
11 public access stations that just simply look
12 at this process as we'll oversee these bread
13 crumbs from these big cable players and hope
14 for the best.

15 I think that public access is
16 something -- Vermont is a state that really
17 cherishes the local and community voice. I
18 think that somebody needs to put these
19 people's feet to the fire. So that's my sort
20 of view from 2,000 feet.

21 MR. PURVIS: Thank you.

22 TONY CAMPOS: Hi. My name's Tony
23 Campos. That's C-a-m-p-o-s. I'm executive
24 director of CVTV here in beautiful downtown
25 Barre.

1 I've been operating this station for
2 over 20 years. And the evolution in the
3 industry has gone from zero to 120 miles an
4 hour. When we worked on this, what, ten
5 years ago, we didn't know what a smart phone
6 was. We didn't know what the Pad was. High
7 speed Internet? We had dial-up. But now
8 these big boys are starting to bundle. And
9 when we started working on our renewal with
10 Charter Communications three years ago we
11 figured out one thing, the millennium will
12 not be watching cable. The millennium
13 will be watching everything on those tools in
14 front of you.

15 And as executive director of CVTV and
16 part of Vermont Access Network, we're the
17 800-pound gorilla in the room. We create
18 more local content than Public Television,
19 and all the major networks and franchises
20 here in Vermont. We bring you city councils,
21 we bring you hearings Under the Golden Dome,
22 and we educate our community.

23 Yesterday we had a press conference at
24 Barre City. We broadcast live on Channel 7.
25 Then my staff posted on the Internet and

1 within less than 12 hours we had 350 people
2 watch that online, the entire press
3 conference.

4 People are looking for content and we
5 create, we create great content.

6 But not just the cable company is
7 broadcasting, but the wireless companies.
8 Dish networks, and they don't have to carry
9 us. I think they should. I think anyone who
10 wants to have a license here in Vermont needs
11 to carry local access programming.

12 That's all I have to say. Thank you.

13 MR. PORTER: Thank you.

14 ROB CHAPMAN: Good evening. My name is
15 Rob Chapman, C-h-a-p-m-a-n. And I'm from
16 Montpelier. I currently serve as the
17 executive director of Onion River Community
18 Access media which is local media, the public
19 access station for Montpelier and 13
20 surrounding towns.

21 I have worked in communities in the
22 media sector for over 20 years, most of that
23 in Vermont, and I have also served as the
24 Vermont president of Vermont Access which is
25 the association of Vermont access stations --

1 THE REPORTER: Could you slow down a
2 little bit, please?

3 ROB CHAPMAN: Sure, absolutely.

4 Actually, I could submit this in an
5 e-mail format; is that possible?

6 In reading the plan draft it was evident
7 that there was a real emphasis on broadband
8 deployment. Particularly to the difficulties
9 associated with deploying in rural areas of
10 Vermont. Those difficulties generally fell
11 in the area of cost which is understandable.

12 My concern was that the plan has little
13 in how to effectively use these connected
14 telecommunication systems and engagement and
15 public benefit in areas such as access to
16 local government, communities, and
17 nonprofits.

18 There was some mention of data and
19 information use by the state government, but
20 I believe there is room for additional
21 applications by state government regards to
22 the engagement and accessibility through the
23 use of video content.

24 The question essentially is this one:
25 Once it is built what do we do with it? Does

1 it simply mean that rural telecommunication
2 customers will be able to shop on Amazon.com
3 faster or watch their favorite HBO show On
4 Demand or are there potential uses that plan
5 condition?

6 These uses should include streaming
7 local government meetings and community
8 events, encouraging setting engagements for
9 online discussions, and participating in
10 forums and hearings like tonight's meeting,
11 for example.

12 You could be even doing this streaming
13 and people all over the state would be able
14 to watch it and maybe even solicit comments
15 through that medium.

16 I would advocate for increasing the
17 attention to how broadband employment will
18 benefit the general public beyond economic
19 benefits and access to the Internet.

20 I would also encourage consideration of
21 Vermont access centers as a partner in
22 developing these significant pieces of
23 broadband as we move from a world of cable to
24 a broadband system.

25 And, of course, the question of funding.

1 Most of the plan talks about plans on how to
2 fund the deployment of broadband, but funding
3 for public uses of that broadband is
4 noticeably lacking.

5 So I hope you will take some time to
6 reconsider the plan to address some of that.

7 And thank you for your time and
8 consideration.

9 MR. PORTER: Thank you.

10 HENRY SWAYZE: Hi. I'm Henry Swayze
11 from Tunbridge. That's S-w-a-y-z-e, first
12 name Henry.

13 I've been working on bringing broadband
14 to all the people in my community, to every
15 person in the community for seven plus years.

16 I currently serve on ECFiber's governing
17 board as one of the representatives from
18 Tunbridge, but I don't speak for them, I'm
19 speaking for myself personally.

20 And I want to quote from the beginning
21 of your plan, says Vermont law directs the
22 Department to prepare periodically revised
23 telecommunication plan covering a ten-year
24 period. The plan must consider most of the
25 salutary goals including strengthening the

1 universal availability and affordability of
2 telecommunication services, supporting the
3 availability of modern local services,
4 providing the benefits of future advancements
5 in technology to Vermont residents, and
6 supporting competitive choices for customers.

7 And I would like to look at some of
8 these requests or some of these legislative
9 mandates. And look at what I think I see in
10 the report.

11 So let's look at some of these. We
12 start with strengthening the universal
13 availability. Availability has indeed
14 strengthened, but the universal part has not
15 been accomplished. It must be for such
16 things as if a teacher is going to assign a
17 school assignment to everyone in their class,
18 they can't do it if a quarter of the class
19 doesn't have Internet coverage.

20 If an employer wants to allow employees
21 to take a day or two days a week working from
22 home, they can't put in a policy unless there
23 is actually universal coverage. So I think
24 the universal coverage piece is important.

25 If I look at the people in Tunbridge,

1 all of them, pretty much all, get dial-up.
2 Some get satellite, some get DSL, but are not
3 near a pop so they don't have much speed.
4 They are getting pretty low quality DSL.

5 And I get contacts over and over from
6 people in the community saying when can I get
7 good service.

8 And I have a particular case where I
9 knew the mother and father are elderly and
10 their son actually wants to come and live
11 with them, and he has to have high speed
12 Internet to be able to be here. And they are
13 in a place that it will be three years before
14 you see fiber hits, maybe four. It will take
15 a while.

16 So that's the -- that's the universal
17 availability issue.

18 Affordability, costs are very high and
19 don't seem to be dropping fast. And I submit
20 that this is due to a lack of cooperative
21 getting together of the different entities
22 that are offering service or the government
23 programs that provide the service.

24 And if they were to get together,
25 Vermont pays one of the highest prices per

1 gigabyte for access to the Internet because
2 we're a long ways away from the major
3 switches. And if people got together and
4 pulled their resources, which I guess the
5 for-profit companies don't want to, they seem
6 to have their heels dug in pretty hard on
7 that. I think that we would have much lower
8 costs.

9 And then I see replication. I see fiber
10 laid up the interstate. Fiber laid to all of
11 the libraries and hospitals. But it's just
12 cherry picked those things and it passes
13 everyone else by and it's not really
14 available. It's not -- it's not a -- it's
15 not open network. And I think that there has
16 to be open network.

17 I think that both commercial and what
18 the VTA has done with their dark fibers, with
19 getting open access to it for all people, is
20 a great step forward.

21 But I think there will be pressure put
22 on the for-profit corporations to be looking
23 at what is for the public good rather than
24 just looking at what's good for their good.
25 And I see that's the flavor that seems to

1 come through and seems to come through in
2 your report to some degree as well.

3 . Providing the benefits of future
4 advancements and technology to Vermont
5 residents, many things are also already
6 available, but not to many of the Vermonters
7 due to inadequate Internet performance.

8 So these include making the use of
9 Cloud. Updating your operating system in
10 your computer. A lot of operating systems
11 aren't even barely available on disk anymore.
12 You need to download them. Updating
13 programs, video conferencing, 3D modeling,
14 designing, or hosting websites. Those are
15 just to mention a few that a great many
16 people are cut out. Not just the people -- I
17 mean the plan says, oh yeah, there is a lot
18 of people who got broadband coverage, but
19 they don't have broadband coverage that will
20 do those things. That's what really put us
21 on the map.

22 We are clinging to an almost good enough
23 standard for today's needs as we design for
24 the future. So I think, I mean, you people
25 in the report say it would be awfully nice to

1 have a hundred megabytes as a service, but
2 don't give us a path to it. They don't give
3 us a way of getting there.

4 And I think we need to go to those
5 numbers, maybe more. You know, I think that
6 we're building a system piecemeal, building
7 on old technologies. Everyone is paying for
8 through their bills are paying for those old
9 technologies that really aren't taking to the
10 future.

11 So we are just building and rebuilding
12 and rebuilding. And everyone is doing it
13 separately so you don't have the combined
14 cost of it, of the advantage of it.

15 If we took all the fiber that's been
16 strung in Vermont and ran it around we would
17 probably cover half the sites in Vermont.
18 It's just that people are running two and
19 three -- people running fiber on the same
20 poles, one hanging one on their bailiwick.

21 The last element is supporting
22 competitive choice for consumers. If you
23 look at my situation, I have -- I have
24 Verizon. I see Verizon's tower visually from
25 my window, but I have only one room in my

1 house where I really get the Verizon service.
2 When I walk through the rest of the house I
3 don't have even phone service with them.

4 I have no DSL. I have no, no cable. I
5 can get WaveComm and I do. I'm on WaveComm
6 service. It's a wireless service. And I'm
7 on their basic service, 750K down and much,
8 much slower up. And I go elsewhere whenever
9 I have to do anything that is Internet
10 intensive.

11 I spend two or three days a week in
12 Burlington and I have 20 megabytes a second
13 there. And I occasionally try to do things
14 in Tunbridge. And I had a download I tried
15 for eight hours. I finally said, well, I
16 just can't do this. You know, it's not going
17 to happen.

18 So, competitive choice. When we have
19 services WaveComm has upped their ante of
20 what they will offer. They are up to a meg
21 now. Not still very fast service, but they
22 are being crowded by DSL. So the fact that
23 DSL has come in to some of their customers
24 has made them raise what they offer a little
25 bit.

1 And I do think that competition is
2 useful in waking up providers and getting
3 them to step up to the bar and do something.

4 And I think the report fails miserably
5 at the competitive piece. It looks as though
6 some of the cable companies wrote a piece of
7 the plan. And I think that's disgraceful. I
8 don't think it sheds good light on you or the
9 governor. And I don't think the plan should
10 be left like that. I think that there should
11 be encouragement of the competition, not
12 blocking of competition and blocking of
13 municipal carriers.

14 Thank you very much.

15 MR. PURVIS: Thank you.

16 MR. PORTER: I'm sorry, can I ask you
17 one clarifying question that I really didn't
18 understand?

19 HENRY SWAYZE: Sure.

20 MR. PORTER: In your last comment is the
21 competitor that you are talking about that is
22 void in the plan, or whatever your words
23 were, municipal provider?

24 HENRY SWAYZE: Yeah.

25 MR. PORTER: Okay.

1 HENRY SWAYZE: Well, it's municipal, but
2 I just think that that -- I think there is
3 perhaps a feeling of remorse. I'm
4 sympathetic with you people because you don't
5 have any money to work with. We're asking
6 you to do the impossible. So I understand
7 that. But I think that you have a feeling
8 that because the big boys are the ones that
9 are providing the majority of the service,
10 that you really have to keep them alive at
11 the cost of intervators or competition coming
12 in. And I think that's a mistake in
13 thinking.

14 I think you have to encourage
15 competition. And, I mean, if you look at old
16 fashion copper telephone service, they have
17 the requirement to be a bullet proof carrier,
18 a carrier that's supplying voltage over the
19 line to the customer. So even when there is
20 a power outage the phone works. And it's a
21 very high standard. And I am not seeing that
22 high standard being required of anybody else.
23 And I'm not sure it should be.

24 But if, you know, if we have a really
25 severe weather event, a hurricane, a major

1 disruption, I think an awful lot of carrier
2 services will go down. And I think that that
3 kind of thing should be built in, but you
4 shouldn't do it by favoring old fashion
5 outdated copper line systems in order to do
6 it. You should do it by requiring the news
7 services to offer public access television,
8 to diversify and move into the next -- the
9 area we're going to rather than hanging onto
10 the past.

11 MR. PORTER: You bring up good points.
12 The first thing you said was when you quote
13 the statute is telecommunication services.
14 And nothing you said after that by law is a
15 telecommunication service. It kind of
16 highlights the problem.

17 It's interesting. When cable companies
18 in 2007 in Vermont started providing what I
19 believe was telephone service, they said it's
20 not. And it's interesting. We've now been
21 litigating with that company since 2007.

22 So you have highlighted really great
23 issues. And it's one of the things I
24 actually tried to get the jurisdiction over
25 the services, but that was very helpful.

1 HENRY SWAYZE: I realize it's sort of a
2 legal stew or problem, but, and maybe it has
3 to be done at the federal level. I don't
4 know where all it has to be fixed, but
5 Vermont is a leadership place. It's a place
6 where you go put your elbow over the fence
7 and say, hey, let's fix this, the problem,
8 kind of pow-towing to it, and making a mess
9 of it, of the plan.

10 CHRISTINE STUMPF: If you want
11 afterwards, I can give you an inside
12 perspective on --

13 THE REPORTER: Excuse me. Can you use
14 the mic? Thank you.

15 CHRISTINE STUMPF: I'm sorry. If it
16 helps afterwards, just because I was on the
17 inside of this. From the perspective of a
18 carrier, when the universal fund, service
19 fund -- you have copper cages, and I don't
20 think this is pertinent to this, but it's
21 useful in terms of how the structure of that
22 looked from the inside. With universal
23 funds, service funds, there's two sets of
24 books; the one that the federal government
25 made you provide so that you could set rates

1 versus your internal set of books.

2 When we talk afterwards, if it's useful,
3 I can go through that. Perhaps some of that
4 structure might actually be useful. Because
5 we did end up with universal service for
6 telephones.

7 And because I was part of a company that
8 was GTE, and GTE was the company that took
9 all the leftover parts when AT&T was formed,
10 all the parts like the area I live in right
11 now, the back areas no one wants to serve,
12 it's not profitable.

13 I can say this is how that was done.
14 And maybe there is some stuff out of there
15 that can be applied from a legislative
16 perspective to maybe something that is
17 workable for the carrier and for us citizens
18 who just want to, you know, live, start
19 businesses, educate our kids. I don't want
20 to disrupt the meeting, but --

21 MR. PORTER: No, that's very interesting
22 when you talk about the universal service.
23 Actually in Vermont, a fund was created, a
24 state fund was created in '97. It's never
25 been activated until this past year.

1 CHRISTINE STUMPF: Right.

2 MR. PORTER: And we're directing it
3 toward broadband structure which is the same.
4 That's very interesting. Would love to talk
5 to you more about it.

6 CHRISTINE STUMPF: Yeah. I was
7 responsible for the liability as well from
8 that perspective.

9 So, you know, and strangely enough, if I
10 could just digress for one second. I was in
11 the lab. And the way that we --

12 (Telephonic interruption)

13 CHRISTINE STUMPF: Because I came from
14 very sophisticated software development
15 systems. And I was, like, and I looked at
16 the architecture. I am, like, gosh this is
17 awesome. Because really for a minute it was
18 really cheap. We were just connecting
19 machines through each other and sending tons
20 of data across very local, very low level
21 connections with multiple -- anyways, I guess
22 what I'm trying to say is as somebody who
23 came in as a bit of a technological snob and
24 I really got my comeuppance, and I looked at
25 it and I was, like, and it was a good lesson

1 to me that sometimes simple solutions in
2 highly technical, highly demanding
3 environments, are actually better.

4 So, I don't know. But this is a tough
5 problem. I'm not saying why don't you fix
6 it, but hopefully at the hearing we will have
7 some discussions about maybe improving the
8 plan so it gets fixed better.

9 CHUCK SHERMAN: I came late. I don't
10 know what the protocol is.

11 MR. PORTER: Start wherever you want to.

12 MR. PURVIS: Just say your name.

13 CHUCK SHERMAN: My name is Chuck
14 Sherman. Sherman like the tank,
15 S-h-e-r-m-a-n. And I haven't read your
16 report, but I know about it from reading the
17 Valley News and Vermont Digger, and about a
18 pot of gold.

19 When I came to Vermont nine years ago,
20 I'm a flatlander, to live in the middle of
21 nowhere and I do live in the middle of
22 nowhere. I am an abutter to the wildlife
23 management area.

24 I had my choice of dial-up or dial-up.
25 I was advised to get satellite, but I got

1 WaveComm and that worked for a while. We
2 have 200 people in our little town.

3 When I say the middle of nowhere, it's
4 still nowhere with cell phone coverages.
5 Whenever I call AT&T with a problem, I say,
6 would you please build a tower near me. I'm
7 in Stratford, Vermont. I-91 goes this way,
8 89 goes this way, and they look at their map
9 and they feel sorry for me because it's a big
10 white hole.

11 But I'm lucky in another way in that
12 I've got some 20 meg per second symmetric
13 broadband now and I really love it. And it's
14 done municipally, it's ECFiber.

15 Since I got hooked up first on my
16 street, I was first in my town with WaveComm,
17 now that there are ten families on Penwick
18 Road, nine hooked up with ECFiber. The tenth
19 is just waiting to have a conduit built so
20 she doesn't have to have a wire hanging in
21 the air. The municipal method for providing
22 the service and working against those
23 companies that have been screwing us for
24 years, is working.

25 And financing fell through at the

1 beginning for ECFiber because of the
2 financial turn in the country. And
3 supporting it by bits and pieces, I think
4 they are up to \$5 million now and it's
5 growing. And it's being helped by the state
6 with OCFC, that's the Orange County,
7 whatever, connector, the fiber, and put a
8 couple more in a 23-town area. And that's
9 helping. I mean, it might have been easier
10 just to loan the money to ECFiber and let
11 them build it, but it's going to work.

12 MR. PORTER: Well, if I could, just a
13 response to that.

14 CHUCK SHERMAN: Sure.

15 MR. PORTER: One of the things in Act 65
16 is not lended. We want you to come in and
17 apply for it and take it and build it. I
18 think that's more of the model that we're
19 trying to move forward.

20 CHUCK SHERMAN: Right.

21 MR. PORTER: For logistics is what you
22 are talking about.

23 CHUCK SHERMAN: I just want you to know
24 it doesn't work. With our terrain, with our
25 topography, fiber to the home is the answer.

1 Waste any money by other technologies in the
2 meantime would be sad. I guess that's what I
3 have to say.

4 JASON POWELL: Jason Powell from
5 Randolph. It looks like in the plan one of
6 the big goals is to increase, get at least
7 one provider, what's called broadband. So
8 with that as a goal, I think it's important
9 that the definition of broadband change and
10 that kind of tracks with the FCC definition
11 it looks like, but I think footnote 15 on
12 page 116 is missing that should have
13 addressed that or seems to be going.

14 And then if you get one provider, you
15 have a monopoly, so it seems like the
16 competition or at least controlling the
17 prices becomes an issue when the goal is
18 mainly to get one provider of that service
19 into the town.

20 I think that's pretty much all.

21 MR. PURVIS: All right. Well, thank you
22 very much.

23 MR. PORTER: Thank you for the footnote
24 correction.

25 MR. PURVIS: Yeah. Would anyone else

1 like to speak? I know you do. I just want
2 to make sure that we get everyone else.
3 You've already spoken the last two nights.

4 UNIDENTIFIED SPEAKER: I am still
5 composing my thoughts.

6 MR. PURVIS: Would you like to speak?

7 JOHN BLOCH: Sure.

8 MR. PURVIS: Thank you.

9 JOHN BLOCH: My name is John Bloch,
10 B-l-o-c-h. I live at 7 Liberty Street,
11 Montpelier, Vermont.

12 I am Chairman of the Board for ORCA,
13 Onion River Community Access. And I've
14 served on the governing board of ECFiber, for
15 full disclosure.

16 I set about reading your plan with great
17 anticipation and it was almost like replying
18 to a 25 percent off sale. When you get down
19 into the weeds, that's only for these
20 products that are only available Tuesdays and
21 Wednesdays.

22 I am depressed, psychologically and
23 every other way. After reading the plan very
24 carefully and very slowly, I will cut to the
25 chase here tonight.

1 A number one recommendation is that you
2 take this plan and throw it in the trash and
3 write a ten-year Telecom plan.

4 Number two, when you've done that, bring
5 it back up for public comment. I know the
6 statute says you have to have your work done
7 by the first of September. You are not going
8 to make that. Not unless you develop dancing
9 shoes.

10 There was no -- there was lots of
11 mention about access monies funds available.
12 Well, it wasn't available. I would like to
13 see us take the modems that Comcast and
14 others place and get a revenue from, and take
15 that and add it to the revenue for these
16 access centers.

17 You may not know it, but outside of the
18 big cities this -- we just came from a
19 national conference, this state has
20 to-die-for public access stations, but if
21 they don't have the revenues to do this work,
22 the lights are going to go out.

23 I know a lot of the access centers here
24 have only a G or a P. We are a full pay
25 public, educational, and general.

1 We have run out -- we have public,
2 educational, and general, PEG.

3 We have run out of both bandwidth,
4 because of the niggardly way in which Comcast
5 services their access people. I get
6 25 percent from my home. I'm four blocks
7 from the State Capitol. 25 percent of
8 ECFiber is currently delivering to the home
9 and I'm paying through the nose.

10 There is, if you know your history in
11 Vermont, two of you guys weren't around, and
12 the other guy, where, in Alabama or
13 Mississippi? The history of Vermont was a
14 backwater slap-jawed bunch of ignoramuses.
15 We don't care, it's a beautiful vacation
16 place. But in the teens and the '20s, all we
17 had were dirt roads on a good day.

18 I remember when the last segment of
19 Route 2 -- you will find this hard to believe
20 I am that old, yes. The last segment of
21 Route 2 was paved. I remember when 12 going
22 north, north side of Worcester, was dirt.
23 And when the crick rose you lost the road.
24 It was Phil Penderson Hauf who said, damn it,
25 we're going to connect Morrisville to

1 Montpelier by hook or by crook, and blast a
2 lot of ledge. But it was a brick road like a
3 lot of them were. People couldn't get their
4 milk to the rail station. They couldn't get
5 their grain to the grainer.

6 We decided as a society, not as a
7 private enterprise venture, as a public
8 society that we would build roads. And we
9 taxed ourselves for them because the
10 government back in those days didn't give you
11 much money. They don't give you much now, if
12 you count inflation.

13 We said it is for the common good. And
14 I want you folks to get back to the root
15 meaning of the common good. Or as an old
16 farmer friend of mine said, I'm really
17 common, we need to take the bull by the horns
18 and not hide behind, oh, I can't do this, I
19 can't do that.

20 If a bunch of hillbillies in East
21 Central Vermont can string fiber with some
22 help from the state after a long period of
23 hitting us in the head, and they gave the 133
24 million to our friends to the south who are
25 going to give us magic dishes, it was almost

1 like 30 pieces of stone that we traded.

2 I said at that hearing, and I have that
3 tape and I will loan you a copy, when he
4 stood up and told us the wonders of the world
5 were coming, and a little old lady from
6 Craftsbury said, that is wonderful, I can now
7 send my grandchildren's pictures, can't I?
8 He said, no, lady. I got it on film. This
9 isn't me talking.

10 Another woman got up and said I'm a
11 practicing ophthalmologist. I can move
12 slides, records; right? He said, no, lady,
13 this is not broadband.

14 Now I know a lot of stuff that's being
15 going on. One of them is that a wireless
16 system is basically an FM signal. And when
17 it hits a piece of granite it bounces like a
18 rubber ball. If it hits a heavy canopy, it
19 bounces. Because it only goes in one
20 direction, straight.

21 Now, putting all our eggs in that basket
22 seems a little ridiculous to me. We have so
23 much dark fiber. We have, I forget how many
24 million were given to the utilities so they
25 can electronically read the meters. Remember

1 that? But you can carry a hell of a lot more
2 on a fiber than just a meter reader.

3 We didn't step up to the plate and say,
4 okay, we're here for getting this grant,
5 however, you are going to have to do this,
6 this, and this in the public interest for the
7 common good.

8 I besiege you to go back and look at
9 this stuff and say, okay, we can do better.
10 And we don't need a hundred million dollars
11 tomorrow. And it doesn't take ten years.
12 I'm proposing two years.

13 And I don't want to hear anymore about
14 aspiration. My aspirational taxes turn out
15 to be real money. And a statute is a statute
16 until changed by the legislature and it's not
17 an aspirational statute.

18 So let's quit playing games with each
19 other. We're good at it, but let's stop it.
20 Let's start saying how we hitch up Vermont
21 like we did in the 19th Century and the
22 20th Century with decent roads that were
23 all-season roads is what they called them,
24 and incite the REA. Well, I'm old enough to
25 remember in my rural community when the REA

1 arrived, seven farmers arrived on a hay wagon
2 and a mule to steep up the cedar posts and
3 they strung wire.

4 So I don't know why you are prejudice or
5 you are seeming prejudice, let's put it this
6 way, against municipalities. They are the
7 energetic ones. Municipalities can borrow
8 money for sewer lines and God knows what
9 else. If the statutes need to be tweaked,
10 let's tweak them. Let's quit saying, oh, I
11 can't do that because.

12 While we're doing all this Comcast is
13 trying to figure out how to pull the plug so
14 that they don't have the responsibility for
15 maintaining funding for the pay stations.

16 You don't have to take my word for it.
17 Sitting in Philadelphia, and I looked down
18 the street next to a 55-floor aluminum
19 ovalusk and they are going to build another
20 one right across the street and they have a
21 net profit margin of 12 percent. I know a
22 lot of businesses in Vermont that would be
23 real happy with twelve percent net.

24 We are dealing with a monster because
25 when they are done with us, it will be like

1 last year's hay left in the rain. And we are
2 going to be swinging from our sweet all
3 together by not having a covertly plan for
4 Telecom.

5 Eight years ago I bought VoIP telephone
6 from AT&T. Guess where? London, England.
7 For \$30 a month I have worldwide coverage.
8 They will probably review their rates and
9 raise them. But because FairPoint and Bell
10 became such ratty bastards and service was so
11 bad and so expensive, that I disconnect and I
12 haven't had a land line in going on eight
13 years. I'm not saying it's the best VoIP in
14 the world, but it was a hell of a lot cheaper
15 than \$65 a month I started receiving from
16 FairPoint with crappy service.

17 I have children in Europe. I have
18 children on the west coast of Canada. So
19 this is a very economical way before we got
20 faced down on our Apple computers.

21 But as you've heard people are going to
22 be watching on computers, or little white
23 phones. Let's get ready for it. Let's build
24 the highway for the traffic that's busting to
25 get down it. And if you want to crack

1 poverty, and you did build a beautiful
2 trunkline from Hardwick to Newport, not
3 passing a single living being except the
4 squirrels. Who mapped that, I don't know.
5 It's okay. It's good. It's a piece of the
6 infrastructure and you wouldn't have the
7 Korean biotech company unless the gentlemen
8 up there Charter development could guarantee
9 high speed Internet.

10 Do we not own -- do we not owe to our
11 citizens and the people who pay your salaries
12 through the tax system at least as much as a
13 Korean biotech firm?

14 Let's get our priorities straight. And
15 that's why I urge you to take this plan back,
16 put it in the shredder because we want to
17 recycle always, and let's come out with a
18 plan that's got some balls to it, to put it
19 bluntly. All I've got is a bunch of wet
20 paper.

21 And I'm telling you right now we will
22 regret this time if we don't lay a foundation
23 for high speed Internet and Telecom. And the
24 high speed ought to be a minimum of a hundred
25 megabytes, not a maximum. Because with fiber

1 all you have to do is turn the laser button.
2 You don't rehang the stuff.

3 So I would like to see a really meaty
4 discussion about the real options we have
5 right now and quit letting some of the big
6 boys steal all the bacon out of the
7 smokehouse and then we yell we're hungry.

8 I will put it in folksy terms because we
9 don't want to be a technocrat, but this plan
10 doesn't cut it. And I strongly urge you to
11 call in the dogs, put the fire out, get
12 another plan up after you've heard all the
13 people who have fought for you and speak the
14 high speed connective. You will not have
15 economic development in, well, Green- -- it's
16 down there below Chelsea. You won't have it
17 in Lowell. You won't have it in a lot of
18 places unless there is connectivity in which
19 people can market their product and their
20 skills.

21 If you want to stop -- of young people,
22 forget Burlington, they are hanging on to
23 them, but every place else in the state we're
24 running down the road after Johnny and Mary
25 and saying, oh, no, come back, come back.

1 My -- left because there was no advantage.
2 Couldn't be here if we're doing the kind of
3 things we are doing. Because there is no
4 real Internet connection.

5 Let's stop our stupid way we're making
6 policy on behalf of the public that pay in
7 the 99.9 percent of the money. Comcast pays
8 very little because they are very bright
9 lawyers, they've got 15 floors of lawyers.

10 And let's start saying what's good for
11 Vermont, not what's good for Comcast or the
12 rest of them. And if it gives them a saddle
13 sore, too bad, let them ride out of town. I
14 mean that.

15 There's ways to string networks that are
16 strong, stand up to our inclement weather.
17 We have some wicked weather. And benefit
18 those folks in these lovely small towns.

19 Hardwick still doesn't have high speed
20 Internet, even though the hub the state paid
21 for it to go to Newport is right there. And
22 they are really some hurting folks. It, by
23 the way, is one of the most interesting small
24 towns in Vermont right now when you talk
25 about innovation.

1 I can think of four or five corporations
2 there that are doing some fantastic work.
3 They have no connectivity.

4 That's the end of my beef with you.

5 MR. PORTER: Thank you.

6 JOHN BLOCH: And it is with you, you
7 know. I wrote the governor off after he sent
8 the Sweet Mary Jane letter to Comcast as head
9 of the Democratic Governor's Convention. You
10 may not have seen it, but it's coming down
11 the pipeline.

12 ANDY BEHRENS: My name is Andy Behrens,
13 that's B-, might be boring, -e-h-r-e-n-s.
14 And I live in South Strafford. And until my
15 retirement I was a network engineer for
16 Burlington Coat Factory and maintained
17 computer networks for a 400-store chain.

18 I am going to primarily address two
19 points in this report. One is the part that
20 says every address should have four meg down,
21 one meg up service. I strongly support the
22 every address part of the statement.

23 The Connect America Fund issued grants
24 that provided service to at least one
25 location, a new Census Block. Census Blocks

1 around where we live can be many square miles
2 big and you may have one inch of that block
3 on a highway getting service and the rest of
4 that block being back roads around the
5 perimeter. And those roads have no service
6 at all. So I definitely agree with the every
7 address portion.

8 I think, furthermore, that that should
9 be determined by an actual service and not
10 communications companies saying according to
11 our maps we predict that we have coverage in
12 this area. Because I know that they've done
13 that. I look at the official state maps and
14 they are showing coverage at my house when I
15 can tell you there is no coverage.

16 As for the second half of that
17 statement, that the service should be four
18 meg down and one up, I think that's a
19 minimum, but I think it's -- I think it's
20 good enough for this year, but I don't think
21 it will be good enough for one year out or
22 even two years out.

23 I think a couple of reasons for that.
24 My daughter is in high school now. And for
25 her contemporary American studies course she

1 needed to watch four hours of videos and
2 analyze them for gender stereo types and race
3 stereo types. And we couldn't do that at our
4 house because our service was so slow, so she
5 had to drive into Norwich and hang out with
6 one of her friends and watch TV at their
7 house.

8 I can think of two friends of mine, one
9 of them is a nationally known musician. He
10 offers classes in playing the instruments
11 that he is a teacher of. And he gets people,
12 not just in this area, but from elsewhere in
13 the country that come in to take his classes.
14 And if there were really high speed service
15 available, and this would have to be faster
16 than one meg up, then he could do real-time
17 video instruction.

18 Right now, even the places where there
19 is good service, it's good for streaming.
20 It's not -- it's not good enough for
21 real-time video where he can watch somebody
22 else, you know, fingering on the keyboard of
23 their instrument and say, no, you need to
24 move your hand, you know, over an inch in
25 order to play this passage.

1 The other person, somebody who is no
2 longer living in the area, she was a music
3 editor who worked for primarily film
4 companies. That she would take films and
5 plays the music tracks on the films so that
6 they lined up properly with whatever was
7 going on in the action so that the emphasis
8 in the music occurred right at the critical
9 place on the action.

10 And for her to do that she needed to be
11 downloading high quality audio and high
12 quality video onto her system so she could do
13 the editing. And instead of doing it at home
14 she would make monthly trips to California,
15 and New York, and London to do the editing
16 and work there in the studio. And it would
17 have been wonderful for her if she would have
18 been able to do that at home.

19 She finally decided that traveling was
20 just too much for her and she moved to New
21 York City. And that's a shame because that
22 would have been, you know, a good business to
23 be doing in a farmhouse in Vermont.

24 The second point I want to talk about is
25 the statement that the marketplace should be

1 competitive. Now, my reading of competitive
2 means that you can have at least two
3 providers that you can play off against each
4 other. And it seems to me that we have many
5 places that have just one provider and many
6 places that have no providers whatsoever.

7 And so a lot of these places are not in
8 your downtown areas. You go to downtown
9 Norwich or downtown Barre, I'm sure there is
10 no problem to have the phone companies with
11 fast DSL. You have Comcast or other cable
12 providers. But once you get out in the more
13 rural parts of the state, like where I live,
14 there is no Comcast service. We have DSL at
15 my house, but it's the end of the DSL line so
16 the service, according to FairPoint's
17 calculations, is about 1.5 meg down at my
18 house and about 1.0 meg down for my neighbors
19 a little further away.

20 And so, effectively, we don't have
21 either of those. I get service from
22 WaveComm. And that is when it works decent
23 enough for my needs, not anywhere close to
24 four megabyte, but fast enough that I can get
25 by.

1 But people living on the next road are
2 in a place that is showered from WaveComm's
3 transmitters so they don't get the service at
4 all.

5 And the VTel service that was promised
6 to hit every house in the state doesn't seem
7 to have materialized at all. And I guess I
8 can't blame you guys for that because I think
9 most of their money was federal grant money.
10 But, nevertheless, I went to the meeting that
11 Bernie Sanders convened three or perhaps four
12 years ago.

13 UNIDENTIFIED SPEAKER: Four and a half.

14 ANDY BEHRENS: Four and a half years
15 ago?

16 MR. PORTER: In Randolph?

17 ANDY BEHRENS: Yeah. And, you know, I
18 asked Mr. Catay whether their wireless
19 service, whether they would, in fact, promise
20 to have it cover every house in the state.
21 And he waffled. And I asked him twice and he
22 would not commit to that. And, to be honest,
23 I don't -- I haven't seen it yet. It's well
24 past their deadline for service. And so, you
25 know, I sort of wonder where all that money

1 went to.

2 UNIDENTIFIED SPEAKER: Relax, broadband
3 gets suspended then you can get it.

4 (Numerous speakers speaking)

5 ANDY BEHRENS: Yeah, I think especially
6 in cases where there is no commercial company
7 like FairPoint that is actually providing the
8 service, then the state should encourage
9 alternatives like municipal systems. And it
10 appears this is going to require an act of a
11 legislature to allow those. Or to allow
12 towns to raise money to support their own,
13 yeah.

14 MR. PORTER: Let me say two quick
15 things. The VTel project which you
16 referenced is one of the fundamental issues
17 of this plan because you are correct. That
18 project is to cover thousands and thousands
19 of people. He just turned on his first site,
20 not exactly the time table that we were
21 looking for. And so until we literally know
22 what's built and what it's covering, it's a
23 little hard to advocate for committing
24 state college that's already funded by the
25 federal government. It's a problem. We hope

1 that that project will finish up as I believe
2 he has to finish it up.

3 Your second question is about the
4 municipally owned. Municipalities in Vermont
5 certainly can own and operate
6 telecommunications companies. They cannot
7 pledge the tax dollars. Any money has to be
8 based on the revenues generated, so that's --
9 there is not a bar against it today. The
10 problem is how it can be funded.

11 ANDY BEHRENS: Right, but that's a high
12 bar for us to set up a communication system
13 that requires fairly large capital expenses.
14 And I believe that current law doesn't allow
15 towns to issue bonds to support that.

16 MR. PORTER: I think they can issue
17 revenue bonds; is that right, only against
18 the -- of the company which there has to be a
19 business passed in order to do it.

20 But as we said earlier, what you are
21 talking about is exactly one of the things I
22 think were intended in setting up this
23 connectivity fund, and that's a good point.
24 We are glad to hear it.

25 ANDY BEHRENS: Okay. Thank you.

1 MR. PORTER: Thank you.

2 Can I ask you one last question? When
3 you talked about, did you go to the broadband
4 VT.org website when you were talking earlier
5 about the website saying you had service and
6 you are, like, no, I don't?

7 ANDY BEHRENS: I have not recently.

8 MR. PORTER: One thing, if you have done
9 that, there is a place on that website or
10 it's very helpful to us when we hear from
11 people who have been to the website and they
12 say about having service and I don't. Just
13 to let you know, we would love to hear from
14 you about the address.

15 ANDY BEHRENS: Okay. Yeah, I did that.

16 MR. PORTER: You did it on the website?

17 ANDY BEHRENS: Yes, I suspect there are
18 many hundreds of other people who aren't
19 covered who don't know about the fact that
20 they can go to the website and do that.

21 Okay. Thanks.

22 MR. PORTER: Thank you.

23 BRAN TOWBIN: My name is Bran, B-r-a-n;
24 Towbin, T-o-w-b-i-n. I'm a member of the
25 CVTV board as well as the selectman in

1 Plainfield. And I've spoken to both my
2 interactions with telephone company, with
3 VTel, Sovernet, and Charter Communications.

4 I think listening to everybody so far I
5 hear a similar pattern theme development.
6 And the theme is that the large entities feel
7 they can absolutely run roughshod over the
8 local municipality and the community. That's
9 what I am hearing.

10 I have not read the telecommunications
11 plan. In listening to you speak, I'm a bit
12 dismayed. I would like to quote
13 Frank Underwood from the popular TV series,
14 House of Cards. House of Cards is, you know,
15 obviously fiction. I don't mean this
16 literally, but there is a scene in which
17 Frank Underwood comes face to face with a
18 billionaire who is pushing him around. And
19 Frank Underwood's response is: You have all
20 the money, but I have all the guys who have
21 badges and guns.

22 Now, that's extreme, but what's lacking
23 here is a sense of fear on the part of the
24 large corporations pushing the small
25 Vermonters around. And I would remind you

1 that you guys are the State. I'm sure in
2 some sense you feel hamstrung because these
3 are Federal entities with lots of dollars can
4 push you around. But just remember you are
5 the State. You are the voice of people. And
6 if one of these -- I have nothing -- I want
7 to state very clearly, I have nothing against
8 people who are making a lot of money and
9 being good capitalists. It's not that they
10 have Comcast making \$30 million last year is
11 the problem. It's not that they have Charter
12 Communications making a million dollars last
13 year. That's not a problem. It's not a
14 problem when the guy who owns VTel has a
15 house in Greenwich, Connecticut. That's not
16 a problem. The problem is those profits,
17 that money, seems to be on the back of local
18 boys. That's the problem. And it's your
19 responsibility in this plan to make sure that
20 they are nervous when they deal with you. I
21 don't sense that they are. And I think that
22 you guys should really think hard about how
23 to empower yourselves. What are their
24 pressure points? That's the way they are
25 looking at you and that's the way they are

1 looking at us.

2 So that's the way you have to look at
3 them. You have to really think very hard
4 about what legislative tools can bring them
5 to get service to Tunbridge. This is 2014.
6 It's not that hard. And it's not a question
7 of resources.

8 Let's be very clear. You know the cable
9 industry for those of you who are not
10 informed, the cable industry fought very hard
11 and has on the cable bill how much your
12 public access costs. Maybe we ought to have
13 a law that says how much of your cable bill
14 is going toward executive compensation. And
15 I think then people would get the idea what
16 the problem is. It's not the public accesses
17 bankrupting the cable companies.

18 So I hope that you guys are embolden to
19 act very hard on the behalf of the public.

20 (Applause)

21 (Speakers speaking all at once)

22 MR. PURVIS: We have people who haven't
23 spoken yet tonight.

24 TONY CAMPOS: I will be brief. Tony
25 Campos, CVTV. One of the things that we have

1 partnership with Charter Communication. They
2 embraced our service because they had to
3 because they had to carry us. And we were in
4 competition with Dish Network that didn't
5 carry local access. So Charter embraced us
6 and used us to market their services over
7 Dish.

8 Now, let's put them all in the same
9 playing field. Let's make competition, make
10 Dish carry us, make them give high speed
11 Internet and you will see.

12 And now I'm going to quote my favorite
13 movie: Greed, greed is good.

14 MR. PURVIS: Charlie, would you like to
15 speak?

16 CHARLIE LARKIN: Charlie Larkin.

17 I have a couple of documents in this
18 hearing to put in the record.

19 I am with this gentleman here.

20 UNIDENTIFIED SPEAKER: I'm going to move
21 back so I can get your good profile.

22 CHARLIE LARKIN: Alternative ways --

23 MR. PURVIS: I think you might have
24 turned the mic off, Charlie. We can't hear
25 you.

1 CHARLIE LARKIN: I want to talk about
2 alternative ways that I don't think the plan
3 considered. One is I have been told there's
4 some 45 to \$50 million that may be available
5 to Vermont under the Connect America program,
6 which I can understand is managed by the FCC,
7 and will offer, in effect, the right of first
8 refusal in our state if FairPoint can
9 construct more DSL and copper supporting 4:1
10 or even 10:1 speeds instead of fiber. Fiber
11 is the only infrastructure that can meet the
12 State's 202D goal of 100 megabytes per second
13 or faster, symmetrical speeds.

14 The ill-considered build-out of what
15 would be, soon to be, obsolete
16 infrastructure, is in direct conflict with
17 the goals of 30 V.S.A. 202, quote, result in
18 widespread installation of technology that
19 becomes outmoded within a short period after
20 installation.

21 So I would suggest first that the Public
22 Service Board and Department, legislature and
23 individual legislators, interested citizens,
24 businesses and organizations, should petition
25 the FCC not to grant this money to FairPoint.

1 The funds should be granted to the State with
2 specific conditions. These monies should be
3 placed in revolving loan fund usable over and
4 over again to build much more than 45, \$50
5 million of ADSL and copper, but to build
6 wall-to-wall fiber across Vermont. We should
7 all ask our Congressional Delegation for help
8 on this.

9 The DPS should also use the power
10 granted under 30 V.S.A. 202(d) to require all
11 network owners to provide specific location
12 and capacity information regarding their
13 fiber networks. A map showing the location
14 of all fiber could then be used to create an
15 inverse map showing where fiber is not
16 located or is at capacity. All fiber built
17 under the Revolving Loan Fund would only be
18 constructed in fiber free areas to prevent
19 further overbuilds.

20 The ECFiber construction method should
21 be an example of what could be done. I
22 understand that they have ability, not
23 considering any help, they were able to
24 reduce their cost by connecting us to VTA
25 connector, but in general costing them \$30 a

1 mile, \$30,000 a mile, in areas that could not
2 connect to the VTA fiber. This was in areas
3 down to six homes per mile, \$30,000. Six
4 homes is \$5,000 per mile per home.

5 At \$100 per subscriber per month, this
6 comes to \$1200 per year or 4800 in four
7 years. That's a pretty good payback time.
8 Even at \$50 a subscriber would be paid back
9 in eight years.

10 Should some portion of these amounts be
11 returning to the revolving fund, more
12 communities would then benefit from the same
13 fund resulting in meeting the goals of
14 symmetrical statewide fiber possibly by 2024,
15 if not closer.

16 The estimated costs, benefits and job
17 creation potential of such a scenario should
18 be laid out in detail in a Ten Year
19 Telecommunication Plan.

20 I also understood that our libraries,
21 state libraries, are hooked up and hardly a
22 megabyte I believe is per second. Fiber
23 network to some 43 libraries, all the state
24 libraries, and the some of the public
25 libraries. This cost is good for casting

1 video programing across. This looks like an
2 improved and much better VIT which is only 17
3 locations with inferior connections. Perhaps
4 we should consider taking VIT by fault and
5 let its funding be given to the libraries to
6 build to connect all the libraries in the
7 state, not just the ones of 43. Both of
8 those have possible legal, economical, or
9 other areas which might cause them to fail,
10 but they should at least have been looked at
11 and shown in the plan why they would not
12 work.

13 Thank you for your time.

14 MR. PURVIS: Thank you.

15 JOHN BLOCH: You need --

16 THE REPORTER: I can't remember names.
17 Could you tell me your name, please?

18 JOHN BLOCH: I'm terribly sorry. John
19 Bloch, 7 Liberty Street.

20 You need to know the history of why the
21 federal government put up money for the REA
22 electrical connections. The investor owned
23 utilities, that's putting a nice gloss to it,
24 refused to go outside the center of towns
25 just as Comcast does in Worcester, Calais,

1 Middlesex. I'll just keep it real close to
2 home. Ten miles from the State Capitol
3 people are using dial-up because these
4 profiteers, I can't make any money if I go up
5 these roads. Oh, come on.

6 ECFiber makes money. And they go up
7 some pretty rough terrain. And the help of
8 building those circuits is enormously
9 helpful, but in this day and age ten miles
10 from the state capitol and have to use
11 dial-up and I'm ashamed. When somebody asks
12 us how -- and then the plan comes out and
13 99 percent are covered. No, we're not. Come
14 on. You know that. I will get the map and
15 show you. I only have to come up with 6,000
16 named to get under the 90 percent.

17 So let's not keep on telling these fairy
18 tales or bedtime stories. Let's put some
19 grit and some teeth into what we're doing,
20 please.

21 MR. PURVIS: Thank you.

22 STEVEN WHITAKER: I will make one
23 comment very brief.

24 THE REPORTER: Can I have your name,
25 please?

1 STEVEN WHITAKER: Steven Whitaker.

2 I would like to use an analogy I think
3 that we often are hearing again and again
4 that we don't have the authority to regulate
5 broadband services, information services.
6 But we do have a right to regulate our
7 right-of-way, and the pole attachments, and
8 the dark fiber that is spun and hung on
9 those.

10 There is no information services flowing
11 over dark fiber. And they are utilizing
12 public right-of-way. And we need some
13 aggressive lawyering, we need some strong
14 public advocacy to rewrite this plan. Smirk
15 free. All right. Thank you.

16 MR. PURVIS: Would anyone else like to
17 speak? Gentleman back there. Do him a
18 favor, and bring the mic back there for me.
19 Thank you.

20 CHUCK SHERMAN: Chuck Sherman. I would
21 like to share two happiest times. One was
22 seeing my granddaughter on FaceTime just as
23 smooth and clear as talking with you here.

24 The other was calling FairPoint and
25 saying, please disconnect me, I have fiber

1 phone.

2 (Applause)

3 STEVE WHITAKER: Unlimited North America
4 and Canada. Thank you.

5 MR. PURVIS: Yes?

6 HENRY SWAYZE: I just wonder if there
7 are things we can do for you.

8 THE REPORTER: I'm sorry. I can't
9 remember names.

10 HENRY SWAYZE: I just wonder if there
11 are things we can do for you. You people,
12 we're dumping this all back on you and
13 saying, hey, do it. How do we get into
14 something that really has, I mean, everybody
15 is giving testimony, and I guess that's a
16 help, but not --

17 MR. PORTER: I think the comments in and
18 of themselves are helpful. And we're happy
19 at anytime to discuss with you why the plan
20 might be written one way or why something
21 that sounds so good to a group of people can
22 be very problematic.

23 And it's very helpful to know, you know,
24 what people are thinking. We're going
25 through the Charter CPG process right now.

1 And the, you know, the turnout for public
2 access at those hearings is just amazing.
3 And it's extremely helpful to us in that
4 proceeding. This really isn't that different
5 from that type of situation.

6 So, it's funny. I think so much energy
7 in discussions, we're always thrilled of
8 people who will talk with Telecom, with us,
9 we're always available and always happy to
10 have the discussion.

11 CHARLIE LARKIN: Where are you holding
12 the St. J. hearing?

13 MR. PURVIS: It's at the Catamount Art
14 Center. I believe it's on Farrell Street.
15 I'm sorry, that's the one in Rutland. It is
16 listed in the Caledonian-Record and we will
17 have the address available on our website.

18 CHARLIE LARKIN: Thank you.

19 MR. PURVIS: Yeah, it's at the Catamount
20 Art Center. That's Thursday, September 4th,
21 at 7:00 p.m.

22 UNIDENTIFIED SPEAKER: Could you restore
23 the video from the first hearing back to your
24 website and correct it's a ten-year plan, not
25 a seven-year plan?

1 MR. PURVIS: Yeah, we can look into
2 that. That would be -- yeah, we would have
3 to talk to VIT about that.

4 JOHN BLOCH: Can we expect a more
5 vigorous enforcement of public right-of-way
6 and the whole --

7 MR. PORTER: I will tell you what, once
8 the hearing is over I will be more than happy
9 to have a discussion with anyone that would
10 like to know about that issue and others.

11 JOHN BLOCH: That's our property; it's
12 not Comcast's property.

13 MR. PORTER: Well, no, that's right. I
14 would be happy to have that discussion after
15 the hearing if you like.

16 JOHN BLOCH: Fair enough.

17 MR. PURVIS: If there are no more
18 further comments, I think we can conclude
19 this meeting. Thank you very much.

20 (WHEREUPON, the Public Hearing was
21 adjourned at approximately 8:35 p.m.)
22
23
24
25

CERTIFICATE

I, Deborah J. Slinn, Certified Shorthand Reporter, certify:

That the foregoing proceedings were reported stenographically by me at the time and place herein set forth;

That the foregoing is a true and correct transcript of my shorthand notes so taken;

That I am not a relative or employee of any attorney of the parties nor financially interested in the action.

The certification of this transcript does not apply to any reproduction of the same by any means unless under the direct control and/or direction of the certifying reporter.

Deborah J. Slinn

Registered Professional Reporter
Certified Shorthand Reporter