STATE OF VERMONT

DEPARTMENT OF PUBLIC SERVICE

PUBLIC COMMENTS HEARING

REGARDING:

THE 2014 VERMONT TELECOMMUNICATIONS PLAN

Pursuant to 30 V.S.A.§ 202d

HELD:

Thursday, September 18, 2014

6:00 p.m.

Barrett Memorial Hall

Vermont Route 132

South Strafford, Vermont

BEFORE:

Jim Porter, DPS, Moderator
Clay Purvis, DPS

REPORTED BY: MARILEE JAYE YOUNG, CSR

O'BRIEN REPORTING SERVICES, INC. 25 Washington Street Rutland, VT 05702 1-800-559-5775

- 1 THE MODERATOR: All right. I quess
- 2 we'll go ahead and get started.
- First off, thank you for coming tonight.
- 4 This is Public Hearing on the 2014
- 5 Telecommunications Plan Draft, Comments edition.
- 6 What we'd like to do, I'd also like to thank Senator
- 7 Mark MacDonald. He always takes a great interest in
- 8 all things telecom and broadband at the legislature,
- 9 and he reminded us that this might be a good place
- 10 to have some hearings. And we've -- this is our
- 11 second one today, so I appreciate that one, Mark.
- 12 And, as I couldn't call Clay, tell him I was being
- 13 late, I think this is a really good place to come
- 14 and discuss the Telecommunications Plan.
- 15 My name is Jim Porter. I am with the
- 16 Department of Public Service. Clay Purvis also
- 17 works with me. We would like to take any comments
- 18 you have about the Plan and then, once we're done
- 19 with that, we're happy to take any questions or have
- 20 any discussions about anything telecom related that
- 21 you might be interested in. And looks like we've
- 22 got a court reporter so, when you talk, if you could
- 23 just come up, I guess have a seat in this chair, and
- 24 just say your name.
- And, with that, we'll get started. Does

- 1 anybody like to go first?
- 2 CHUCK SHERMAN: Well, you've heard me
- 3 before.
- 4 THE MODERATOR: I've heard some of you
- 5 before, but that's okay, we still like to hear it.
- 6 CHUCK SHERMAN: I spoke up in Barre.
- 7 My name's Chuck Sherman, S-h-e-r-m-a-n. I learned
- 8 that. And I've already watched a video of my
- 9 comments on video, so I don't have much more to add.
- 10 I'm here more to hear what my neighbors and others
- 11 have to say. But it's good to see you again.
- 12 THE COURT: Good to see you. Thank
- 13 you.
- 14 THE MODERATOR: Okay, neighbors and
- 15 friends.
- Senator, do you think maybe, if you talked,
- other people would talk, or do you want to talk?
- 18 MARK MacDONALD: I spoke at the last
- 19 two, but I'm Mark MacDonald. First, I'd like to
- 20 thank the Department for coming down to this part of
- 21 Orange County and northern Windsor County, which are
- 22 just about the most difficult area of the state to
- 23 serve, which is why it's been so frustrating for
- 24 those who live here.
- 25 Broadband is much like electricity was a

- 1 century ago. There are places to build out that
- 2 companies find profitable and there are places to
- 3 build out that companies will not come to without
- 4 some sort of subsidy. The 2009 stimulus package
- 5 that passed the U.S. Congress subsidized the easy
- 6 stuff and has sort of left the difficult areas
- 7 unaddressed. This is a departure in how government
- 8 has tried to level the playing field to provide
- 9 services to all its citizens. With electricity, the
- 10 federal government came in and helped to serve the
- 11 places that the companies would not serve. And it's
- 12 been suggested that the companies won't come in to
- 13 Orange County because they can't recoup their
- 14 investments quickly enough. What we are getting are
- 15 often FairPoint and then some of the other --
- 16 other -- in other areas of the state where a
- 17 telephone or companies provide cheap almost-
- 18 already-obsolete connections and then exercise a
- 19 monopoly-like authority over them and charge prices
- 20 that would not be chargeable if there had been real
- 21 competition. I didn't think anybody in this room
- 22 would -- would argue that, without a world-class
- 23 broadband, this county is watching its citizens
- 24 leave, whether it's so that students can do their
- 25 school work or whether professionals can operate in

- 1 the world economy.
- 2 One of the comments that we had this
- 3 afternoon and that many have echoed is there seems
- 4 to be a bias for sending information down from -- to
- 5 the -- to homes and a handicap in sending it up from
- 6 homes to the rest of the world. I think there's an
- 7 old expression about give a man a fish and he eats
- 8 one day, teach him how to fish and they can feed
- 9 themselves. Well, having the higher speeds to
- 10 receive information tends to be movies and feel-good
- 11 stuff but, if you try to make a living and you have
- 12 to upload onto the Internet with the current
- 13 numbers, you can't make a living. It's great for
- 14 getting fish but not very good for fishing. Our --
- 15 one of the -- from the recent newspaper articles and
- 16 discussions this afternoon, one of the hopeful
- 17 things that has come across, I think, from
- 18 Mr. Porter is that the Department appears to be
- 19 ready to recommend that the public dollars only be
- 20 spent to -- to be spent to be focused on the areas
- 21 where no one else will spend private dollars and to
- 22 stop the practice of subsidizing companies to build
- 23 out where it's reasonably expected that they would
- 24 have built out anyway. Now, I may be exaggerating
- 25 that, but this has been a great disappointment to

- 1 many of us to see that public dollars are being used
- 2 to subsidize the profitable areas and then the
- 3 owners are permitted to exercise monopolies and
- 4 drive up prices.
- 5 So thank you. I hope we have some citizens
- 6 from nearby who can add to that, embellish it,
- 7 contradict it, or other.
- 8 THE MODERATOR: Well, while you're
- 9 trying to decide if you're going to talk, Senator
- 10 MacDonald brings up a really good point that I'll
- 11 talk about just a minute. Several years back
- 12 Vermont got more federal money per capita than any
- other state in the country, and, as Senator
- 14 MacDonald rightly points out, we're still sitting in
- 15 an area that really isn't served. And one of the
- 16 things that the legislature's done and that we've
- 17 been working on the last couple years is I think we
- 18 probably are to the point where we are going to have
- 19 to direct some public dollars into these projects,
- 20 and one thing that's happened this past year is
- 21 we've had the Department of Public Service, and
- 22 we're regulators, and there are certainly things
- 23 that regulators can do that no one else can do but,
- 24 when it's a service that's not a regulated service,
- 25 it's a little bit difficult at times. We've had a

- 1 Vermont telecommunications authority that would --
- 2 that was created some years back that had bonding
- 3 authority, and they were never able to use the
- 4 bonding authority because you couldn't make a
- 5 business case for the projects that they were trying
- 6 to do. And so the -- what the legislature did this
- 7 year is the VTA will become -- since I think we're
- 8 going to have less certainly state dollars and I
- 9 think we're going to want to be very targeted with
- 10 how we spend it, is that we're trying to sort of
- 11 consolidate all of the telecommunications efforts.
- 12 And Senator MacDonald -- there's something that came
- 13 up certainly earlier, but at the time, several years
- 14 ago, ECFiber had a project they were trying to fund
- 15 with the VTA, the Department had a project we were
- 16 trying to do with the Public Service Board and
- 17 FairPoint and, because we didn't know about the
- 18 VTA/ECFiber project, we gave money to an area that
- 19 we wouldn't have otherwise, and it created some
- 20 problems, and I think there was a work-around. But
- 21 I think to have it all centralized, and we
- 22 ultimately work for the Governor, and the new
- 23 division, what the VTA's going to become, will work
- 24 for the Secretary of Administration, so I think it
- 25 will be more centralized, which will be helpful for

- 1 what we're doing now. And, as we talked about
- 2 earlier, and this is one of the thing we're revising
- 3 the plan to be more specific about, is what we look
- 4 at, in Vermont, in E911 addresses, we do broadband
- 5 mapping. We're very lucky in Vermont; a lot of
- 6 states can't use their E911 addresses. We update
- 7 that information every six months, but we know that
- 8 there's about 22 percent of the E911 addresses in
- 9 Vermont, and we're sitting kind of in the middle of
- 10 one of the big areas, where you really have very,
- 11 very poor broadband speeds. Many people have
- 12 768/200 at best. And so what we're hoping to do is
- 13 take that segment, that 22 percent, and, through the
- 14 connectivity fund, which was put into place by the
- 15 legislature this past session, be able to target
- 16 areas like the ones we're sitting in and, as we
- 17 talked about, we hope that for once the people who
- 18 have had the worst service for a long time will
- 19 maybe be in the forefront and be able to get vastly
- 20 better service than in other areas. So we hope that
- 21 the plan, once we've revised it to make it a little
- 22 more clear, we'll show that, and that's where we
- 23 think we should target. And we'll be working with
- 24 the legislature as we always do, because funding's
- 25 going to be an issue, and that's the other thing

- 1 that we're in the process of having done now, which
- 2 is try to come up with some idea of what this might
- 3 cost. And it's -- to me it's a staggering expense,
- 4 and we're basically using three cost models that we
- 5 know about in Vermont, and we'll have
- 6 recommendations as to what the cost would be to
- 7 provide various services to areas in the state.
- 8 Irv?
- 9 IRV THOMAE: Um, Irv Thomae from
- 10 Norwich, chairman of ECFiber. It seems I keep
- 11 thinking of more things to say, so I'm glad you're
- 12 having a series of hearings.
- On the subject of the cost to do a major
- 14 buildup -- buildout, I would like to draw the
- 15 connection, the line between the dots, between the
- 16 make-ready issue and the build-out cost.
- 17 THE MODERATOR: Okay.
- 18 IRV THOMAE As I've told you folks,
- 19 correspondence with Clay, ECFiber presently
- 20 estimates our cost to build a mile of cable and
- 21 connect six customers at \$30,000. Let's take the
- 22 customer connections out of that. The cost of
- 23 building the cable infrastructure and the network
- 24 infrastructure that it connects to is averaging out
- 25 to 24,000 per mile. When we first started we were

- 1 saying 5,000 less than that, and a major reason
- 2 we've had to increase it is that we find that make-
- 3 ready, that's this process of getting the poles
- 4 ready to -- to add our cable to the pole what was
- 5 already there, make-ready is being delayed way
- 6 beyond the standard time frame. And, if we've
- 7 borrowed money and we're waiting to -- we can't get
- 8 revenue to start paying that money back until we
- 9 have connections to those cables on those poles,
- 10 this dead time just spent waiting is time with no
- 11 revenue, time with borrowing expense but without
- 12 revenue. I would -- I would hazard a guess that the
- 13 cost per mile, if we had efficient make-ready, if it
- 14 always went by the standard PSB times of 60 days
- 15 from application to quote and then 120 days from
- 16 payment to completion, I would guess that we would
- 17 be able to tell you that you could build that mile
- 18 for 20 or 21 thousand per mile, not 26, 25, 24.
- 19 That's -- you know, that mounts up when you're
- 20 talking about hundreds and hundreds, a few thousands
- 21 of miles.
- 22 THE MODERATOR: Right. Let me
- 23 respond, really because I think you've got two
- 24 things in there and just, if you all don't mind, I'm
- 25 happy to do question and answer since earlier we had

- 1 more people who wanted to speak, but anywhere you
- 2 see distribution lines, in Vermont anyone who's
- 3 defined as a detaching entity, which would be a
- 4 provider of sorts, they have a right to attach on
- 5 those poles. And there's two things. One is the
- 6 price that you pay, and there's a rather-complicated
- 7 Public Service Board rule that imputes an amount of
- 8 space based upon the type of attachee, we won't bore
- 9 anybody with that, but then there's a tariffed rate
- 10 for what the companies can charge people or entities
- 11 to -- per pole to be there. And then the other
- 12 piece of that is -- and it's like Irv was saying,
- 13 ECFiber wants to do a project. let's say it involves
- 14 a hundred poles, so they have to notify the pole
- 15 owner that, you know, here's -- we need you to get
- 16 the work done for us, this make-ready work. And the
- 17 Board, the Public Service Board, has timelines in
- 18 which the company has to do the make-ready work, and
- 19 there's various -- there's other things --
- 20 IRV THOMAE: And if I may, let me give
- 21 an example why this is necessary.
- THE MODERATOR: Sure.
- 23 IRV THOMAE: For safety reasons, it
- 24 has to be a little more than a yard, actually about
- 25 a meter of space between the lowest power-carrying

- 1 line and the highest telecom line, because the
- 2 telecom crews don't have the equipment to work
- 3 safely next to the high voltage. And then the other
- 4 cables on the pole are as high as they can be and
- 5 have as much clearance as possible underneath when
- 6 you've got a drive under, passing on a driveway or
- 7 whatever.
- 8 CHARLES LARKIN: There's statutes on
- 9 that, too.
- 10 IRV THOMAE: There are, indeed. So
- 11 they typically put the cables up as high as they
- 12 can. The newcomer, let's say it's ECFiber, comes
- 13 along, we want to move our cable, the phone company
- 14 wants to move their cable down to make room for us,
- 15 and that's the make-ready work, moving the cable
- 16 down. But sometimes the pole -- the pole wasn't
- 17 tall enough to leave any more room to come down and
- 18 still have the clearance underneath.
- 19 Is that an accurate --
- THE MODERATOR: Yeah.
- 21 IRV THOMAE: Yeah. And then we have
- 22 to pay for a new pole.
- 23 CHARLES LARKIN: Didn't that get
- 24 modified? They used to have those so-called --
- 25 well, first of all, the power company one went here,

- one here and one here and the ground down below was
- 2 about a three-foot span. When they were in trouble,
- 3 they would put those little condensing unit --
- 4 devices, condensing devices where they would hang
- 5 onto the ground line and put the 3 A, B, and C phase
- 6 below it and put the space. And the Board --
- 7 THE MODERATOR: The hinderance
- 8 configuration.
- 9 CHARLES LARKIN: Hinderance, right.
- 10 And the Board -- I had one, somebody stole it from
- 11 me.
- 12 THE COURT: We're going to have to
- 13 stop, because we're going to bore everybody.
- 14 CHARLES LARKIN: The Board made a rule
- 15 they with weren't going to tell you how to build
- 16 your pole on your company. You want to configure
- 17 it, go ahead, but you were going to be assumed
- 18 imputed to have built make-ready as cheap as
- 19 possible for him. If they wanted to not -- if they
- 20 wanted a bigger pole, go ahead, but he didn't pay
- 21 for it, because they could have put the heaviest
- 22 pole holder in and put in more.
- THE MODERATOR: Right.
- 24 CHARLES LARKIN: So he no longer has
- 25 to put a new pole in all the time.

- 1 THE MODERATOR: Right.
- 2 CHARLES LARKIN: Is that rule still
- 3 in?
- 4 THE MODERATOR: I believe it is. When
- 5 you talked about having to put in a new pole; that's
- 6 a whole -- and that happens sometimes, but I
- 7 think -- there's two things he's talking about. One
- 8 is that the pole owner has sixty days to get it
- 9 ready, and they don't.
- IRV THOMAE: A hundred twenty.
- 11 THE MODERATOR: Or a hundred twenty?
- 12 IRV THOMAE: We pay them to have 120
- 13 days.
- 14 THE MODERATOR: And it's different per
- 15 how many poles are involved. Aren't there two or
- 16 three categories right now?
- 17 IRV THOMAE: I don't -- I'm aware of
- 18 that.
- THE MODERATOR: Okay.
- 20 IRV THOMAE: But I know that 120
- 21 days -- last year we had some when they should have
- 22 gotten the work done in October and they didn't get
- 23 it done until this April.
- 24 THE MODERATOR: Right. And the remedy
- 25 for Irv or whoever else is to file a petition with

- 1 the Public Service Board and say, You know, the pole
- 2 owners aren't doing right, fix it. And I think what
- 3 we've been trying to do, just simply because it's
- 4 faster, is I think, and since you all have contacted
- 5 the Department, and we've contacted the pole owner
- 6 and said, We're going to have a board proceeding,
- 7 which nobody wants, get this fixed. There's a
- 8 couple things. At one time Sovernet had a massive
- 9 project.
- 10 IRV THOMAE: Yeah.
- 11 THE MODERATOR: And that sort of
- 12 backed up some of it, and then we've had some storms
- 13 that have been problematic. And, quite frankly, and
- 14 Charlie will appreciate this, I think one of the --
- 15 the largest pole owner, just quite simply, doesn't
- 16 have enough staff.
- 17 CHARLES LARKIN: What's that?
- THE MODERATOR: I think the largest
- 19 pole owner doesn't have enough staff.
- 20 CHARLES LARKIN: Fire him.
- 21 THE MODERATOR: And that's something
- 22 that we could revisit, I think we would have to do
- 23 it in the context of a board rule. It's something
- 24 we've been talking about the for the last year is
- 25 trying to address the rate.

- 1 IRV THOMAE: Wasn't the board supposed
- 2 to have convened a meeting of interested parties a
- 3 couple years ago and never did?
- 4 THE MODERATOR: Well, what they were
- 5 supposed -- what was supposed to have been done is,
- 6 if there's a large project, a very large project, as
- 7 the Sovernet project was, the legislature
- 8 mandated -- those projects are not covered by the
- 9 board rule, it's between a contract with the company
- 10 and the pole owner, and if it's more than 7 percent
- of the poles or something. And there was no --
- 12 there were no time frames involved, and so the
- 13 legislature mandated that the Board come up with
- 14 what they call -- I think we called it a rapid
- 15 response program, and it was for big projects. To
- 16 the best of my knowledge, it never got put into
- 17 place. We did have one complaint that came under
- 18 the big project, rapid response, and we initiated an
- 19 action, and the Board treated it as though it were
- in place, and it was resolved. But, no, you're
- 21 correct, that never happened. And that large
- 22 project is now built out, but it was -- what you're
- 23 talking about was applicable to the large projects.
- 24 IRV THOMAE: Right, right, yeah.
- 25 Well, I just wanted to add that.

- 1 THE MODERATOR: No, and I think that's
- 2 help-- I think another thing we would need to look
- 3 at is what we call, you know, some people it's
- 4 imputed that you pay if you're using 2 feet of space
- 5 and some people it's 1 foot, and we would like to go
- 6 to a lower, unified rate where everyone pays at the
- 7 same rate, and that's another piece.
- 8 MARK MacDONALD: In the case that Irv
- 9 outlined where work was supposed to be done by a
- 10 certain date, and it was six months late, it being
- 11 completed, ECFiber borrowed money expecting to go up
- on the pole a certain date, and now who pays the
- interest on the borrowed money for the six months
- 14 that -- who picks -- who is obliged to pick up the
- 15 tab for that?
- THE MODERATOR: Well, that's the
- 17 problem, nobody, and that's -- and that's kind of
- 18 the problem --
- 19 IRV THOMAE: ECFiber does.
- THE MODERATOR: ECFiber does, right.
- 21 MARK MacDONALD: But the agreement was
- 22 it would be up in 120 days. When ECFiber gets that
- 23 agreement, they go out and borrow money, and then
- 24 their competitor is permitted to go six months
- 25 longer, while ECFiber is -- has obliged to pay the

- 1 interest on the money they borrowed. Isn't that
- 2 sort of like putting your thumb on the scale when
- 3 you're selling meat or something?
- THE MODERATOR: Well, sure it is,
- 5 and -- to some extent. And the built-in problem is,
- 6 if you go to the Public Service Board, it's
- 7 essentially like suing somebody or going to court,
- 8 and that is not a speedy process, and so that's why
- 9 we tried to deal with it, as we said earlier, more
- 10 informally, but it's something that, I think,
- 11 warrants looking at the current rules and how they
- 12 work, along with the rates, and I think that's a
- 13 good --
- 14 IRV THOMAE: There are no incentive --
- 15 THE MODERATOR: Correct.
- 16 IRV THOMAE: There are disincentives
- 17 to cooperation on the part of the people on the
- 18 poles already.
- 19 THE MODERATOR: Correct. Correct. I
- 20 wouldn't disagree with you.
- 21 IRV THOMAE: And it's probably only a
- 22 coincidence, it's probably nothing deliberate, that
- 23 during those many months the company that hadn't
- 24 gotten around to moving its cable announced DSL
- 25 service in several of these areas that ECFiber was

- 1 being delayed in getting to. Yes, purely a
- 2 coincidence. But I did want to bring that up.
- THE MODERATOR: No, it's a point well
- 4 taken, and it is something that I think we need to
- 5 do.
- 6 IRV THOMAE: But my broader point is,
- 7 if that problem is addressed, then the cost for an
- 8 ambitious build-out of a large area goes down, and
- 9 that's a significant saving to everybody.
- 10 THE MODERATOR: I gotcha, I gotcha.
- 11 That's a good point.
- 12 MARK MacDONALD: If we were to say,
- 13 Well, that's too bad, ECFiber, you've got to pay the
- 14 money if you want to play; but, if Irv is correct,
- 15 the public who was expecting to get some service
- 16 that might end up being in dark fiber has now got
- 17 broadband, so not only has ECFiber is loss but the
- 18 public has gotten a more obsolete --
- 19 IRV THOMAE: Has a lesser grade.
- 20 MARK MacDONALD: -- less-worthy
- 21 service.
- 22 THE MODERATOR: I'll tell you an
- 23 interesting phenomenon that's happened. In the
- instance of the telephone company, who's the large
- 25 pole owner, we've recently had a huge number of

- 1 complaints, and we have threatened to go have an
- 2 investigation with the Public Service Board because
- 3 it's unacceptable. And so they come in, and I'm
- 4 making these numbers up, but they have three
- 5 thousand complaints about telephone service and
- 6 three thousand complaints about broadband service.
- 7 I can regulate their response time for the telephone
- 8 service, and I can't for the broadband. And so, you
- 9 know, one of the things they were saying for a long
- 10 time is, We're first dealing with the telephone
- 11 service issues, but -- when we had these massive
- 12 calls in, because you're charging us, you know,
- 13 fines and stuff. Well, we sort of relieved them of
- 14 the fines, but it's a problem, and it's my belief,
- 15 and I guess we'll see over the next few months, that
- 16 a lot of the problem is just staffing, but they do
- 17 not have the appropriate number of people to do the
- 18 work they have to do sometimes.
- 19 IRV THOMAE: Does federal law force
- 20 Vermont to refrain from regulating; could Vermont
- 21 attempt to regulate information services even though
- 22 the FCC doesn't?
- 23 THE MODERATOR: I think -- when you
- 24 say reg--
- 25 IRV THOMAE: I think we all need to

- 1 understand that, the public, we all need to
- 2 understand the constraints that you operate within.
- 3 THE MODERATOR: Let's talk about that
- 4 a little bit. With telecom regulation, it's always
- 5 been the states get to regulate what the federal
- 6 government says they can regulate. And telephone
- 7 service, as we know, they're no longer monopolies;
- 8 the largest company is financially struggling, to
- 9 put it politely. And at this point, even though I
- 10 say that you're receiving the same service, although
- 11 it may be over broadband, but it's what I call a
- 12 telephone service, it's been deemed an information
- 13 service, and so the State doesn't have jurisdiction
- 14 over that like it does telephone service. So twenty
- 15 years ago, if we were talking about phone service or
- 16 if we were talking about service quality, you'd just
- 17 go to the Public Service Board and you order the
- 18 company to do it; and what they did was, you know,
- 19 they had a monopoly and, when they invested in
- 20 infrastructure, they were recovered it in rates. We
- 21 no longer rate regulate the telephone companies, and
- 22 we just don't have -- I can't tell you to go build
- 23 out fiber or and I can't tell FairPoint to build out
- 24 fiber, but we can tell them to do something with
- 25 their phone service. So it's a -- it's a -- and

- 1 there's a proceeding at the FCC now, you've heard
- 2 about neutrality, I'm sure, and this is part of it,
- 3 but the FCC is looking at how to classify broadband
- 4 Internet service, and we've actually filed comments
- 5 within the last week, us and the Public Service
- 6 Board, asking the FCC be classified as a Title II or
- 7 telecommunication service. Not positive that's
- 8 going to happen, but we'll see.
- 9 IRV THOMAE: But it's good to hear
- 10 that you and the PSB for Vermont have weighed in on
- 11 that question with the FCC.
- 12 THE MODERATOR: Well, we did, and
- 13 we're a part of the National Regulatory Association,
- 14 so three times a year all of the regulators in the
- 15 country get together. Those are exciting meetings,
- 16 you can manage. But at all these meetings we meet
- 17 with FCC staff; and, particularly for a rural state,
- 18 it's really kind of scary, that that's regulator
- 19 speak, I guess, but it's a very difficult
- 20 environment, and we're going to have to have some
- 21 federal guidance, I think, one way or the other.
- 22 IRV THOMAE: Are you in a small
- 23 minority among the states when you ask the FCC to
- 24 consider regulating information services?
- 25 THE MODERATOR: There are a lot of

- 1 people who would like to see it be a Title II
- 2 service.
- 3 IRV THOMAE: Good.
- 4 THE MODERATOR: There are also very
- 5 big and powerful companies who would not like to see
- 6 it be a Title II service.
- 7 IRV THOMAE: Right. I don't mean to
- 8 take up so much time.
- 9 GUS SPETH: My name is Gus Speth,
- 10 S-p-e-t-h, and I live at 89 Jordan Road in
- 11 Strafford, at the end of Jordan Road, the very end
- 12 of Jordan Road.
- 13 As I understand it, I'm supposed to have
- 14 4/1 service now; is that right?
- 15 THE MODERATOR: I don't know. I would
- 16 have to look at your address.
- 17 GUS SPETH: Really? I thought it was
- 18 everybody, ubiquitous.
- THE MODERATOR: No, no, no, no, no.
- 20 Ubiquitous, let me talk about that.
- 21 GUS SPETH: Well, tell me when I'm
- 22 going to have at least 4/1 service.
- 23 THE MODERATOR: Okay. Under the
- 24 federal grants that were funded several years ago,
- 25 all of which have not been built out, they were all

- 1 funded at a stage of 768/200. Now, currently every
- 2 address in Vermont either has that minimum speed or
- 3 they have a funded solution in place. Now, in all
- 4 fairness, the vast majority of the people that have
- 5 the funded solution in place is to come from a VTel
- 6 wireless broadband project. That project, which is
- 7 terribly behind --
- 8 GUS SPETH: It is coming to Strafford?
- 9 THE MODERATOR: You know, I -- our
- 10 map -- we have a map, GIS map. I honestly don't
- 11 know. Our mapping person's not with us tonight.
- 12 I'm sorry.
- 13 CLAY PURVIS: I do believe it is,
- 14 but --
- 15 THE MODERATOR: Okay. It's covering
- 16 44,000 addresses, 97 percent. It's -- if you don't
- 17 have it, it's likely, and we can look at your
- 18 address tomorrow and tell you.
- 19 GUS SPETH: Only service we have
- 20 access to is a wave pump at 2 vps.
- 21 THE MODERATOR: I'm going to guess
- 22 you're in the VTel Wilder territory, depending on
- 23 where you are, once it gets built. I believe it's
- 24 providing very high speeds, but --
- 25 GUS SPETH: Any guarantees?

- 1 CHARLES LARKIN: No.
- THE MODERATOR: Well, the problem with
- 3 that, here we get with federal and state again.
- 4 That's a federally-funded project that,
- 5 unfortunately, we have no oversight over. We
- 6 actually talk with the federal agencies that funded
- 7 that project every two weeks to try to check on
- 8 progress, but that's really just being loud.
- 9 GUS SPETH: What's your best guess as
- 10 to when VTel is going to be able to provide me
- 11 service?
- 12 THE MODERATOR: Well, as of I think
- 13 last week, they tell us they still believe the
- 14 project will be completed by June 2015. As you may
- 15 know, what happened is, originally, under their
- 16 federal grant, they had to finish it by the end of
- 17 2013, and then the people who gave them the money
- 18 said, No, you don't have to do it by 2013, and they
- 19 bumped it out to 2015, so that is the -- that is
- 20 what they tell us and what their current terms of
- 21 their grants say.
- 22 GUS SPETH: Thank you.
- 23 STEVE WHITAKER: I'd like to speak for
- 24 a few minutes.
- 25 CHARLES LARKIN: I have something to

- 1 say.
- 2 STEVE WHITAKER: Oh, you want to go
- 3 first?
- 4 CHARLES LARKIN: Charlie Larkin,
- 5 citizen of Vermont, former telecom engineer for the
- 6 Department of Public Service for thirty-plus years.
- 7 Thinking about all the talking you've done
- 8 and all the meetings you've had so far, I think that
- 9 cell towers, to a degree, have not been struck too
- 10 often at these hearings. And I remember some of the
- 11 language, it was and along the roads, the
- 12 phraseology in there. I wonder if you have an
- 13 evaluation or you would consider evaluating and
- 14 putting into your revision of this plan something
- 15 about those mini towers, mini cell towers. I use
- 16 the word "towers" that aren't, really units that
- 17 hook up on the telephone pole.
- 18 THE MODERATOR: Small cell.
- 19 CHARLES LARKIN: I would like to
- 20 strongly suggest that some kind of looking at what
- 21 they could do and what roads could be serviced and
- 22 how far they could spread the word out without
- 23 trying to build these big towers, because of your
- 24 NIMBY problem, even if you were to bless things. As
- 25 you attested, you've got the experience in saying

- 1 go, go, go and the next day a phone call said, no,
- 2 we don't want it. You could avoid some of those
- 3 fights by putting some of these on the poles, I
- 4 think.
- 5 THE MODERATOR: To that question, the
- 6 VTA has funded -- I'm not sure they call it a pilot,
- 7 but they have funded the use of the small-cell
- 8 technology in along some corridors, and I believe
- 9 that we were the first place in the country to
- 10 actually try that type of technology. There might
- 11 have been an Indian reservation out west that did
- 12 it. It's not tested, and there are some
- 13 technological issues with it now. I can tell you
- 14 that the bigger companies are now starting to
- 15 install the small cell, but they will not use them
- 16 as a -- they're very low powered, and they -- they
- 17 have to be within line of sight of the next pole,
- 18 and they have a very little ability to -- they have
- 19 a very, you know, narrow margin where they can
- 20 provide service.
- 21 CHARLES LARKIN: They're down the
- 22 road.
- THE MODERATOR: Right. The larger
- 24 companies are starting to use them, and we'll see, I
- 25 think the reason it's not mentioned more is I don't

- 1 think it's a substitute for what we think of as cell
- 2 towers, although I have to say, in Vermont we have
- 3 more cell towers on silos and inside church steeples
- 4 than I think anybody else in the country, so that's
- 5 a lot of cell towers, too, but I don't think right
- 6 now they're a substitute for the larger cell towers.
- 7 Although the bigger companies are starting to us
- 8 them in Vermont.
- 9 CHARLES LARKIN: Builder companies
- 10 meaning?
- 11 THE MODERATOR: AT&T and Verizon.
- 12 LEE VORMELKER: Lee Vormelker, I live
- 13 at 12 Tyson Road here in Strafford.
- I just wanted to comment on the mini cell
- 15 towers. I believe that technology only provides
- 16 voice service, so at the moment it would provide no
- 17 capability for broadband. Is that right?
- 18 IRV THOMAE: I've heard people say
- 19 nice things about its voice support.
- 20 LEE VORMELKER: The voice does work.
- 21 THE MODERATOR: I've tried to do the
- 22 broadband, because I had one broadband provider who
- 23 would not provide this company backhaul because they
- thought they were going to try to compete with them
- 25 for a broadband -- wireless broadband product.

- 1 And the problem with the voice, even, is,
- 2 to date, if you go put up a hundred of them and call
- 3 yourself a rural carrier, they cannot seamlessly
- 4 interact with your telephone provider. In other
- 5 words, if you were driving and you had your Verizon
- 6 phone, you're going to lose the call or you'll lose
- 7 the signal, it will pick it back up, and you'll have
- 8 these during the period of time that you're there,
- 9 and then the -- and the big companies are hesitant
- 10 to use it when it's someone else providing it,
- 11 because they don't want their customers calling them
- 12 and saying, Why do I always get dropped -- you know
- 13 what I'm saying, why do I -- and they are starting
- 14 to use them a little bit now.
- 15 LEE VORMELKER: It's an interim
- 16 technology --
- 17 THE MODERATOR: Right.
- 18 LEE VORMELKER: And in locations in
- 19 Vermont where there is no cell coverage, Strafford
- 20 being one of them, it's -- it allows us to come from
- 21 the 19th century to somewhere into the 20th century.
- THE MODERATOR: Right.
- LEE VORMELKER: But it does not get us
- 24 to the 21st century.
- THE MODERATOR: No, I agree with you.

- 1 The ones we're using, I think it's -- is it Sprint?
- 2 Sprint's -- it's Sprint's Technology, and Sprint's
- 3 roaming with them. The problem is we're putting
- 4 these things out in Orange County that run with
- 5 Sprint, but all the Sprint customers are in
- 6 Burlington, so -- or New York.
- 7 CLAY PURVIS: Not even Burlington. I
- 8 think Boston's probably the closest Sprint.
- 9 THE MODERATOR: Which is one of the
- 10 reasons we haven't written extensively about them, I
- 11 because I don't know that we'll see them. At this
- 12 point I want to -- we'd like to see how the VTA
- 13 project shakes out and see how successful that is.
- 14 LEE VORMELKER: It appears to be a
- 15 technology that does help for motorists who have
- 9-1-1 kind of calls.
- 17 THE MODERATOR: Right, right, right.
- 18 LEE VORMELKER: That will work very
- 19 well, but today's world of trying to yelp or do
- 20 mapping or anything where you want to use your
- 21 smartphone doesn't happen.
- THE MODERATOR: Right. That's a good
- 23 point.
- 24 MARK MacDONALD: Have you developed an
- 25 opinion on citizens of this county on the following

- 1 question: Given a choice between the Department
- 2 going full bore on broadband or full bore on cell
- 3 phone service, what do you think that the citizens
- 4 of this county would prefer that you do?
- 5 THE MODERATOR: What was -- would you
- 6 say the last part one more time.
- 7 MARK MacDONALD: If you were to ask
- 8 the citizens of this county, from what you've
- 9 learned so far, If you had to choose between putting
- 10 resources behind broadband to all homes or telephone
- 11 cell service on all highways, what is the message
- 12 that you will receive from the citizens of this
- 13 county?
- 14 THE MODERATOR: Certainly from the
- 15 hearings, broadband, but with some previous
- 16 experiences, um, I came to Vershire one day, and I
- 17 think some of you may have been there and --
- 18 (unidentified speaker): Vershire.
- 19 THE MODERATOR: I have a southern
- 20 Vermont accent, and I don't say some things like I'm
- 21 supposed to. And I believe I was yelled at by --
- 22 was it 150? How many people were there, Senator?
- 23 MARK MacDONALD: A healthy number for
- 24 Vershire.
- THE MODERATOR: It went on so long --

- 1 this was on a Saturday. My wife believed that it
- 2 couldn't have taken this long, so she knew I was
- 3 dead because I wasn't answering my cell phone. And,
- 4 when I got to Montpelier, I said, Well, the problem
- 5 is, once you got past Barre, there was no cell
- 6 service, you know, for those hours. And so what our
- 7 opinion is, and what's in the plan, is that we need
- 8 both. But, let me say this, the broadband, I think,
- 9 is -- and if my 18-year-old daughter were sitting
- 10 here, she might disagree with me because she's never
- 11 without her iPhone, I think the broadband is the
- 12 first and most-important component, and it's
- 13 something I actually think we can do something
- 14 about. Within the last two months -- once or twice
- 15 a year we get the Verizon and AT&T high-up people to
- 16 come to meet with us, and, you know, we talk to them
- 17 every year, and we say, You know, what if we put in
- 18 a tax and we gave you the money to build cell
- 19 towers? And they said, We wouldn't take it. And so
- 20 the broadband, I think, is something we can actually
- 21 do something about. I do think with the cell
- 22 towers, with the 248a, which is a relaxed permitting
- 23 statute, particularly for the small cell facilities.
- 24 You know, we've had over 300, I think, applications
- 25 for permits in the last couple of years, so that's

- 1 been very successful.
- 2 MARK MacDONALD: Well, I would suggest
- 3 that the national companies are eager to have cell
- 4 towers, because that's in their interests, and it's
- 5 the citizens of this county who have become
- 6 accustomed to the phone services they have.
- 7 THE MODERATOR: Right.
- 8 MARK MacDONALD: Many of us, you know,
- 9 didn't get phones until -- well, anyway, the
- 10 citizens of this county feel that their economic
- interests and the county's future is much more
- 12 dependent on broadband service than the -- than the
- 13 cell phones which seem to be a priority of the --
- 14 the for-profit companies that want to do that.
- 15 THE MODERATOR: Right.
- 16 MARK MacDONALD: That's my opinion.
- 17 THE MODERATOR: No, it's broadband.
- 18 MARK MacDONALD: If you could verify
- 19 that but dispute and act accordingly after you
- 20 verify.
- 21 THE MODERATOR: Oh, no, you're exactly
- 22 right, and it's all broadband, broadband, broadband.
- 23 What we call the cell phones, they're moving toward
- 24 your making -- your telephone calls are going to be
- 25 made over the Internet anyways, so it's a little bit

- 1 of a misnomer to call them cell phones at some
- 2 point. It's all about profit.
- 3 MARK MacDONALD: Will you take that
- 4 message back that, if you had to focus on one, focus
- 5 on broadband and --
- THE MODERATOR: Oh, absolutely,
- 7 absolutely.
- 8 MARK MacDONALD: Okay.
- 9 THOMAS ESSEX: So, excuse me, yes.
- 10 Tom Essex, South Strafford, 165 Mine Road, two and a
- 11 half miles from here, up the hill. I passed you
- 12 coming down, stopping at the store, looking
- 13 bewildered because
- 14 THE MODERATOR: I was bewildered.
- 15 THOMAS ESSEX: -- you didn't know
- 16 where you were.
- 17 THE MODERATOR: Because my GPS
- 18 wouldn't work. I couldn't get here.
- 19 THOMAS ESSEX: Okay. That's okay.
- 20 That's okay. I have had FairPoint, previously
- 21 Verizon DSL since 2009. Very slow, it was recently
- 22 upgraded to I believe it's 3 megs, which I'm told is
- 23 pretty good for around here.
- I haven't read the full report. I've heard
- 25 a lot of stuff. Two things concern me is (1) the

- 1 cost, very expensive. I heard billion dollars
- 2 quoted for the entire state, a lot of money. Other
- 3 thing is the economic imperative that seems to be
- 4 driving it, and the expected business benefits and
- 5 the commercial benefits and the infrastructure
- 6 improvements and the job improvements and all the
- 7 economic stuff that comes with it. I've heard the
- 8 senator, I've heard a lot of people talk about, Oh,
- 9 we're going to improve our education, it'll lower
- 10 our property taxes because we're going to be able to
- 11 have broadband classes, we're going to have
- 12 children, we could have one student here, one
- 13 student here, we can all have the same teacher, and
- 14 they can all do this because now we have fast fiber
- 15 optic connections. I've heard other people say
- 16 that, Well, we can have lot's of people work in
- 17 their houses and they can work at home, they could
- 18 get this fast upgrade, and they're going to make
- 19 lots of money and improve our economic situation.
- 20 But I'm going to come back to that billion dollars
- 21 again. I have a daughter here in school. They do
- 22 have fast connections at the new school, actually
- 23 she's not here anymore. She's moved on. She was
- 24 going to take an advanced algebra class. She did
- 25 not pass it. She did not do it, because she had to

- 1 sit in front of a computer with no help, nobody
- 2 talking to her, nobody giving her any assistance
- 3 other than she could do something on a computer with
- 4 somebody, who she didn't know, she didn't even know
- 5 where she was. So, you know, it's a good idea, but
- 6 it's not going to work for everybody, and it's not
- 7 really going to be the save all.
- The economic incentive, my wife is a CPA.
- 9 She works in an office 25 miles from here. She
- 10 could work from home; they have the capability on
- 11 her computer, and she does occasionally do whatever
- 12 the SSLo sign-in crazy stuff is, which means nobody
- 13 else in our house can work because, if anybody else
- 14 tries to do anything on the computer, she gets mad
- 15 because it doesn't work anymore. But she probably
- 16 wouldn't work from home very much anyway, because it
- 17 takes a very, very -- I don't know what the word is,
- 18 but the individual who will sit in front of their
- 19 computer at their home by themself, not seeing other
- 20 people, all day long, it takes a very strong
- 21 individual to do that, and I reckon that the number
- 22 of people that can do that is very small. So the
- 23 economic benefits are not all their cracked up to
- 24 be, in my mind.
- 25 THE MODERATOR: Well, and let's talk

- 1 about --
- 2 THOMAS ESSEX: Not that I don't want
- 3 them to happen, not that I don't want them to
- 4 happen, because, you know, I'd like to see fast
- 5 Internet, but, you know, I'm told that I've got to
- 6 pony up half a dozen people to come up with twelve
- 7 hundred or whatever the current buy-in rate is for
- 8 ECFiber to build a line to get ten people on our
- 9 road, maybe we'll get a line up there. But, for the
- 10 moment, I think what we've got is sufficient.
- 11 THE MODERATOR: Well, and I think
- 12 that's a lot of the balance. When we talk about
- 13 this billion dollars, let me just let you know,
- 14 we're in the process of having a company do some
- 15 modeling for us and, when we talk about doing all
- 16 the addresses in the state, one model's going to
- 17 show about a billion, one's probably going to -- Irv
- 18 may dispute me -- it's going to be somewhat less
- 19 than that. But today in the state we've got about
- 20 seventy percent of the addresses outside, not
- 21 population, who have either fiber to the home or
- 22 they have broadband available through cable service,
- 23 which has very high speeds. So what we're -- what
- 24 I'm looking at, I think, as a first priority in this
- 25 is for the places that really -- you said you got

- 1 bumped up to the three service with FairPoint?
- THOMAS ESSEX: Yeah.
- THE MODERATOR: There's a lot of
- 4 people, I know because they're the other group we
- 5 hear from at some of the other public hearings we've
- 6 had, who are in the other areas and they really have
- 7 very slow service, 768/200, which doesn't allow you
- 8 to do some things. I mean, you can't apply for a
- 9 job with the State of Vermont; you'd have to do it
- 10 on-line. And I agree with you, I think there's a
- 11 balancing as to what we're going to -- you know,
- 12 when a company pays for it when they have customers,
- 13 great, but I do think we have to look at what we're
- 14 willing to pay for, and I think that's important,
- and I think that's why we've targeted the people who
- 16 really would love to have what you have today.
- 17 THOMAS ESSEX: Okay. Well, I don't
- 18 feel -- I don't feel blessed, but I appreciate it.
- 19 The other thing that I would just like to
- 20 point out about all this commercial stuff is Vermont
- 21 is already a high-expense business climate, and
- 22 spending more state money to improve the services,
- 23 it's like putting in the sewer and saying you're
- 24 going to put in the big dairy plant out at end of
- 25 the sewer line because now the sewer is there but

- 1 the rest of the economy is crumbling, the cows have
- 2 all moved off, you know, and now there's no dairy
- 3 industry to put in there so you don't need the
- 4 sewer, so, you know, let's integrate that with
- 5 everything else and not get lost just because it's
- 6 the latest, greatest new stuff that we should be
- 7 spending our money for that, and let's certainly not
- 8 raise the taxes. I don't want to pay any more
- 9 taxes, because they're way too high.
- 10 THE MODERATOR: Well, I think I've
- 11 been criticized a little for the past month for
- 12 maybe not being a little more aggressive and wanting
- 13 to spend money, so.
- 14 THOMAS ESSEX: Well, that's my
- 15 concern.
- 16 THE MODERATOR: Thank you.
- 17 MARK MacDONALD: Somewhat reminiscent
- 18 of the argument of why Vermonters couldn't get
- 19 electricity, because it was a poor state, it was too
- 20 expensive.
- 21 THE MODERATOR: Poor state, and when
- 22 you've got -- well, and when you talk about rural
- 23 electrification and all that, I told you this
- 24 earlier and I'll tell you. We used to -- there's
- 25 something called a Universal Service Fund. We've

- 1 all paid into it for the last thirty years, and it's
- 2 a federal tax. I'm probably supposed to say "user
- 3 fee" but it's a user tax, but what it's been used
- 4 for is for the companies to provide telephone
- 5 service in the rural areas. So what the FCC has
- 6 done is they're redirecting that money away from
- 7 voice service and they're putting it to broadband,
- 8 and one of the purposes of all this was so the rural
- 9 areas would have parity with the urban areas with
- 10 regard to their broadband speeds, and what they
- 11 currently set it at is a speed of 4/1. And so, you
- 12 know, we've got some -- whereas with rural
- 13 electrification you've got electricity, and what
- 14 we're talking about now is a service but there's
- 15 various speeds within that service and what's
- 16 actually the appropriate service that should be
- 17 funded.
- 18 IRV THOMAE: You know, I'd like to
- 19 point out that rural electrification did not tell
- 20 the farmers, Oh, yeah, you're going to get
- 21 electricity, but we're only going to give you 37
- 22 volts.
- THE MODERATOR: Well, right, right.
- 24 IRV THOMAE: And so far the nation,
- 25 I'm not saying the state, I'm saying the nation has

- 1 shrunk from giving anything like true parity to
- 2 rural areas.
- 3 THE MODERATOR: You've said exactly --
- 4 and what I would tell you is that the FCC today has
- 5 said we're going to give you 37 volts, Irv.
- 6 IRV THOMAE: Right.
- 7 THE MODERATOR: I agree with you.
- 8 CHUCK SHERMAN: We were talking about
- 9 4 megabits per second broadband. FCC chairman Tom
- 10 Wheeler today said 4 megabits is too slow to be
- 11 considered broadband --
- 12 THE MODERATOR: Yup.
- 13 CHUCK SHERMAN: -- and that Internet
- 14 service providers who accept government subsidies
- 15 should offer at least 10 megabits per second. So
- 16 the only service around here that offers that,
- 17 provides, is fiber to the home. Spending any
- 18 resources on anything else in the meantime, to me,
- 19 seems like a waste of money.
- 20 My name is Chuck Sherman. I testified
- 21 earlier.
- 22 CLAY PURVIS: Correct me if I'm wrong,
- 23 but I believe his comments was 10/1, and I believe
- 24 the cell can do 10/1
- 25 IRV THOMAE: It can do 10/1 if you

- 1 have the good luck to be right next to the remote
- 2 terminal in your neighborhood.
- 3 THE MODERATOR: And there's -- and
- 4 there's some -- there's a fund, a federal fund
- 5 called the "Connect America Fund 2," and it's going
- 6 to be available the end of this year and the rules
- 7 will be written, and the FCC has made some noise
- 8 that they will change the speed, the minimum speed,
- 9 for funding, from 4/1 to 10/1 of that speed, and,
- 10 you know, I'm not sure, if you're going to spend a
- 11 state dollar, that that's what you would necessarily
- 12 want to fund. The problem is that's what the feds
- 13 are funding in certain areas and, as I said,
- 14 earlier, once this -- when the FCC order came out in
- 15 November of 2011, there were so many lawsuits they
- 16 had to consolidate them into different federal
- 17 courts, and both we and the Public Service Board
- 18 provided various comments saying that it was under-
- 19 funded and would not bring the rural areas to speed,
- 20 these parity speeds. Virtually every challenge to
- 21 the -- what we call the transformation order is
- 22 lost. And Tom Wheeler also said -- I read this
- 23 week -- that he's really going to look at whether
- 24 Internet service should be a Title 2 service, and so
- 25 I hope that's true.

- 1 THOMAS ESSEX: I hope Tom Wheeler will
- 2 get a grandchild, because you may recall from my
- 3 previous testimony the benefit of the broadband
- 4 symmetry is that, when you're doing communications
- 5 with someone, like your grandchild, it's both
- 6 directions you need that speed, for video, for
- 7 Facetime. So maybe when Tom Wheeler gets a
- 8 grandkid, you know, he'll up it.
- 9 THE MODERATOR: Well, he's got that
- 10 speed in Washington anyways. So right.
- 11 THOMAS ESSEX: We could Skype from
- 12 ours, very easily.
- THE MODERATOR: With your 3?
- 14 THOMAS ESSEX: Yes. Not very fast,
- 15 but yes.
- 16 THE MODERATOR: It's funny, the other
- 17 guy who works with us, he sits there watching
- 18 Netflix of 768/200.
- 19 CLAY PURVIS: He is.
- 20 STEVE WHITAKER: I think that much of
- 21 this discussion is passé in that this statute now
- 22 has a goal of symmetric, 100 megabit by 2024, and
- 23 there is also a requirement that we not waste money
- on short-lived technology that will soon become
- 25 obsolete. So much of this discussion about 4/1 and

- 1 10/1 does not belong in the plan. I mean, it's --
- 2 MARK MacDONALD: Right.
- 3 STEVE WHITAKER: -- it's really a
- 4 distraction.
- Now, I would like to correct a few of the
- 6 comments I heard earlier about that pole attachment
- 7 proceeding, and that was Act 53 of 2011, which
- 8 actually required the Public Service Board, by rule,
- 9 to conduct a proceeding and effectuate a revised
- 10 rule to implement an accelerated pole attachment
- 11 dispute resolution process, no matter whether it's
- 12 small companies or big companies. It was
- 13 across-the-board rule making. And the Board didn't
- 14 do it and the Department didn't lean on them to do
- 15 it. Okay, those are two serious failings of a
- 16 legislated mandate, and that's what we count on the
- 17 Department to do, is to advocate for the public and
- 18 indirectly for the ECFibers, and it didn't happen,
- 19 and y'all had the bully pulpit as the Department to
- 20 insist the Board do that. They had the mandate to
- 21 do it. So I want the record to be clear on that.
- 22 The fact that it sunset this last July and that
- 23 testimony before the committee did not ask that to
- 24 be extended and renewed such that that proceeding,
- 25 by rule, would happen is another oversight or

- 1 negligent, in my opinion. One of many.
- 2 Secondly, the -- the -- there was much
- 3 discussion at the earlier hearing today about how
- 4 valuable the Orange County fiber connect project and
- 5 some of the others are. Now, I want to extend that
- 6 concept further, because, even though the Public
- 7 Service Department and Board cannot regulate
- 8 information services, we clearly have the authority
- 9 in state law to regulate our right-of-way. And
- 10 these companies are using our public right-of-way,
- and many of the fibers are dark; Comcast has dark
- 12 fiber right across the state, FairPoint has dark
- 13 fiber across the state, many, many miles of dark
- 14 fiber, which can be regulated if we have an
- 15 aggressive public advocate petitioning the Board for
- 16 investigation and examining where that is.
- 17 Now, I received a response last night from
- 18 your -- from Clay, to my public records request for
- 19 all records and responses from the utilities,
- 20 pursued under the 202.d authority you have, to
- 21 require infrastructure information from the
- 22 utilities. You've admitted in prior settings that
- 23 you don't know where the fiber is. You have the
- 24 statutory authority to demand to know where that
- 25 fiber is, and you didn't do it. So this whole

- 1 process is somewhat of a waste because we still
- 2 don't know where the fiber is, so we can't put an
- 3 accurate number on how many miles of fiber need to
- 4 be built. We need to establish clear open access,
- 5 again a 202.c goal, set by the legislature, to the
- 6 dark fiber. There's no way that Comcast can claim
- 7 that they're unregulatable when they're -- that
- 8 fiber's not even lit. There's no information
- 9 services running over it. It's a piece of
- 10 infrastructure sitting in the public right-of-way,
- 11 and it's accessible for open access, and it can be a
- 12 condition of their CPG. So I'm imploring upon you
- 13 to get serious and -- about advocating for what we
- 14 already have the authority to do. I'm hearing so
- 15 many reasons why we can't do it, and I've grown
- 16 weary of it, if you can hear that in my tone.
- 17 Yeah, the fact that I learned yesterday
- 18 that you'd never even asked the companies where
- 19 their infrastructure is, in the course of preparing
- 20 the plan, basically makes this process premature.
- 21 That until you've done your assessment of state
- 22 networks, of state infrastructure, and where the
- 23 fiber is and where the DSL is, you don't have the
- 24 preliminaries in place to draft a plan upon which we
- 25 can provide meaningful comment.

- 1 So thank you for your time. Sorry it's not
- 2 sweeter.
- THE MODERATOR: Thank you. Anybody
- 4 else? Questions?
- 5 THOMAS ESSEX: I have one question,
- 6 about the -- is it VANU, is that the micro cell?
- 7 THE MODERATOR: Um-hum.
- 8 THOMAS ESSEX: Do they -- they're on
- 9 poles, but they have to have a backhaul to their
- 10 systems, so --
- 11 THE MODERATOR: Yeah.
- 12 THOMAS ESSEX: Do they work on poles
- 13 that have copper or poles that have fiber?
- 14 THE MODERATOR: They prefer to have
- 15 fiber if they can get it. I believe they're using a
- 16 good bit of DSL.
- 17 THOMAS ESSEX: So as you build out the
- 18 county connectors, you're helping them expand cell
- 19 service?
- 20 IRV THOMAE: I believe that the mini
- 21 antennas, for example on Route 113 in Vershire and
- 22 North Fairlee, I believe they are being fed from
- 23 OCFC fiber, and I'm certain that the CoverageCo
- 24 projects in south central Vermont, that the VTA has
- 25 brought on-line, some of which are active, some

- 1 which are about to become active, I know that those
- 2 are fed from wherever possible, dark fiber, and VTA
- 3 is planning a major extension of dark fiber to
- 4 support tourist corridors.
- 5 THOMAS ESSEX: I hope they work more
- 6 than tourist corridors, that they work for anyone
- 7 that connectors are coming through Strafford. We're
- 8 not really a tourist corridor.
- 9 IRV THOMAE: Well, I don't know if
- 10 CoverageCo plans to put those antennae along Route
- 11 132 following the OCFC. You could ask the VTA about
- 12 that. And that's the beauty of the dark fiber
- 13 trunks 144 fibers in there, and different entities
- 14 can lease subsets of that fiber, long-term leases.
- 15 THOMAS ESSEX: That's still investment
- 16 in Orange County -- other county connectors has a
- 17 dual payoff.
- 18 THE MODERATOR: If the CoverageCo
- 19 project does what it should do, perhaps.
- 20 CLAY PURVIS: Would anybody else like
- 21 to speak?
- 22 THE MODERATOR: Thank you all for
- 23 coming. Good to see you.
- 24 (The comment portion of the hearing
- 25 adjourned at 7:10 p.m.)

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2	CERTIFICATE
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4	I, Marilee J. Young, Court Reporter and
5	Notary Public, hereby certify that the foregoing
6	pages numbered 2 through 48, inclusive, are a true
7	and accurate transcription of my stenographic notes
8	of the Comments heard regarding: THE 2014 VERMONT
9	TELECOMMUNICATIONS PLAN pursuant to 30 V.S.A. §202d
10	held on Thursday, September 18, 2014 6:00 p.m., at
11	Barrett Memorial Hall, Vermont Route 132, South
12	Strafford, Vermont, Before: Jim Porter, DPS,
13	Moderator, and Clay Purvis, DPS, and transcribed by
14	me with use of computer-aided transcription and
15	produced under my supervision for use.
16	
17	
18	·
19	My commission expires February 10, 2015
20	
21	
22	October 1, 2014
23	mjy
24	

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