



For Immediate Release

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ACA MAKES KEY BROADBAND FUNDING, POLICY RECOMMENDATIONS TO RUS, NTIA & FCC

Small Cable Best Positioned To Assist Unserved, Underserved Communities

PITTSBURGH, April 14, 2009 – In filings Monday evening ([available here](#) and [here](#)), the American Cable Association made a number of key recommendations designed to achieve the Obama Administration's twin goal of introducing high-speed Internet service into areas that never had it and increasing broadband speeds in those underserved locations where data rates have been less than optimal.

"ACA's members -- small, independent cable companies first to deploy broadband facilities in rural America -- are the ideal candidates for receiving economic stimulus funding to spread broadband into those truly remote areas that have been economically challenging to serve," ACA president and CEO Matthew M. Polka said. "In addition, funding of middle-mile projects – also an ACA priority – would unquestionably improve broadband performance in underserved communities."

ACA filed comments with the Commerce Department's National Telecommunications and Information Administration, the Agriculture Department's Rural Utilities Service, and the Federal Communications Commission. Under the American Recovery and Reinvestment Act of 2009 (ARRA), NTIA and RUS have \$7.2 billion to distribute in broadband grants and loans.

In its comments, ACA emphasized that small operators of cable systems located in both "unserved" and "underserved" areas should have access to funding.

"Congress was unequivocal in its economic stimulus legislation that broadband money should be made available for the purpose of providing broadband to both 'unserved' and 'underserved' areas. The agencies should not favor one area over the other," Polka said.

In its filings, ACA does make a distinction between the types of projects that should be funded in "underserved" and "unserved" areas.

ACA urged the agencies to focus on funding middle-mile projects in "underserved areas" over those that seek to provide to-the-home, last-mile facilities. According to ACA, the problem with delivery of high-speed broadband capability to "underserved areas" is not a lack of last-mile infrastructure, but an inability for existing operators to run their

networks at top speeds because of slow middle-mile connections linking their facilities to Network Access Points (NAPs) that are based near urban zones many, many miles away.

"Broadband speeds in underserved communities would ramp up dramatically if NTIA and RUS opted to steer millions in loan and grant dollars toward middle-mile projects in `underserved' areas and insisted that access to those facilities be provided on fair and reasonable terms," Polka added.

In the sparsely populated and geographically challenged "unserved" areas, where current economics make providing high-speed Internet nearly impossible, ACA recommended that the agencies fund both last-mile and middle-mile projects.

ACA also urged regulators to bear in mind that the majority of ACA members are small businesses that can't devote the time and expense to filling out lengthy government forms and applications. As a result, ACA stressed the need for a streamlined application process with a minimum amount of paperwork as part of a review that should assure that projects meet the requirements for the grants and that applicants have the resources and expertise to operate the facilities for which funding is sought.

To reduce the financial and administrative burden of the application process on "smaller entities," ACA recommended a definition for "smaller entity" as any existing video, phone, or broadband provider with less than 5,000 broadband subscribers. According to ACA, applicants that qualify as a "smaller entity" and seek a grant of less than \$5 million should be eligible to submit a short-form application.

The following are ACA's definitions of "unserved" and "underserved":

- An unserved area is any Census Tract in which at least 50% of the households do not have access to reliable broadband of 1.5 Mbps downstream and 128 Kbps upstream transmission.
- An underserved area is any Census Tract in which at least 50% of the households do not have access to reliable broadband of 5.0 Mbps downstream and 500 Kbps upstream transmission.

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About the American Cable Association

Based in Pittsburgh, the American Cable Association is a trade organization representing more than 900 smaller and medium-sized, independent cable companies who provide broadband services for more than 7 million cable subscribers primarily located in rural and smaller suburban markets across America. Through active participation in the regulatory and legislative process in Washington, D.C., ACA's members work together to advance the interests of their customers and ensure the future competitiveness and viability of their business. For more information, visit <http://www.americancable.org/>