

STATEMENT OF COMMISSIONER MICHAEL J. COPPS
Approving in Part, Dissenting in Part
October 14, 2004

RE: Amendment of Part 15 regarding new requirements and measurement guidelines for Access Broadband over Power Line Systems; Carrier Current Systems, including Broadband over Power Line Systems (R&O).

I want to welcome our colleagues from FERC to the FCC as we work to move forward on BPL. I think we all agree that a wide deployment of BPL would benefit broadband consumers. This is a market desperate for more competition. We all know by now that our country is now Number 11 in broadband penetration. That's pretty hard to take. Some argue that all we should worry about is broadband availability, and not bother ourselves worrying about whether the price is too high or the data rates too low for people to actually buy it. But when we consider that consumers in other countries are getting magnitudes more of capacity at prices far lower than we are getting, it's time to get concerned. I'm not arguing that every country has the same broadband market, but consider that in countries like Japan, Korea and Canada, consumers get much more bang for their buck—like 8,000-10,000 kilobits for \$10-\$15 a month. Should we be surprised that consumers in those countries are signing up in droves?

I'm not alone in my concern. *Business Week* recently called our country a "broadband backwater." Its article concluded: "If the U.S. is not to lose out in the global race of the next-generation Internet and the new businesses it can spawn, change is needed." I agree. We simply don't have a game plan. Nearly all of the industrialized nations, except the U.S., have national broadband plans. Where is our comprehensive strategy? We're late to the game, other countries are far ahead, and we just have to get down on the field with a game plan of our own.

I hope that someday BPL will help us improve the situation for U.S. consumers. This is a powerful and exciting new technology that is at its inception and just beginning to be deployed. In the future I hope that it will substantially increase broadband competition, force prices lower, and force investments in innovation. Also, while today BPL deployments are occurring in urban and suburban communities, I hope that in the future BPL will serve rural America as well. So we can certainly use the innovation and new competition BPL may bring, and I am happy to support the vast majority of this item. But I do have some worries that I want to note.

I remain concerned with the question of interference to amateur radio users. I take the concerns of this community very seriously, and believe that the FCC has an obligation to work hard to monitor, investigate, and take quick action where appropriate to resolve harmful interference. If interference occurs, we must have a system in place to resolve it immediately. If an amateur radio user makes a complaint and an agreement between the BPL provider and the amateur radio user cannot be reached, the FCC should step in and resolve the matter. These cases must not take years to resolve.

I'm also disappointed that today's item dodges some of the hardest BPL questions. If we want investment in BPL, we need certainty and predictability. But issues such as universal service, disabilities access, E911, pole attachments, competition protections, and, critically, how to handle the potential for cross-subsidization between regulated power businesses and unregulated communications businesses remain up in the air. Is it right to allow electricity rate payers to pay higher bills every month to subsidize an electric company's foray into broadband? I'm glad our FERC colleagues are here today, because this last part needs to be a fully collaborative effort.

Some will argue that we don't know enough about what this technology will look like yet, so we shouldn't impose any obligations lest we regulate an infant technology out of existence. Or that we shouldn't saddle a new technology with long-standing policy objectives. I disagree. Just because these policy goals are long standing doesn't mean that they are out of date. Public safety, rural service, competition and disabilities access never go out of date. I don't yet know how these issues will play out for powerline broadband or what rules the Commission should adopt. But we should have used this proceeding to start giving investors and consumers some certainty on the matter. Having understandable rules of the road is what investors, as well as consumers, are looking for.

So we have a promising technology, maybe even a significant new broadband pipe if everything goes really well. We've got some good technical rules in this item. They can work or be adjusted if we have good monitoring and enforcement. But we just have to get to the big picture and confront the challenges I have mentioned if BPL is going to have a shot at realizing its full potential. Putting it all together, I will vote to approve in part and to dissent in part. And I thank the Bureau, my colleagues, and the many parties who shared their ideas with us, for working so hard and constructively on this promising technology.