

**STATEMENT OF
COMMISSIONER ROBERT M. McDOWELL**

RE: *A National Broadband Plan for Our Future*, GN Docket No. 09-51

Our action today, which I support, serves as the first step in the creation of the national broadband plan Congress has directed us to develop. The end result will be the most important public policy initiative affecting broadband since the landmark Telecommunications Act of 1996. Let's all work hard to get it right.

This nation has made great strides in developing and deploying broadband infrastructure and services since the Commission issued the first Section 706 Report in 1999. Today, a wide variety of innovative services are provided to individuals and businesses over copper, cable, fiber, wireless and satellite infrastructure that simply did not exist a decade ago. These successes resulted directly from the lifting of legacy common carrier regulations from broadband services and a removal of other barriers to infrastructure investment that allowed network operators and service providers to attract investment capital to fund their businesses.

In fact, broadband deployment and adoption rates have improved significantly since we adopted these policies. The FCC's own data shows that since 2000, the number of high speed lines has increased more than 1600 percent, from approximately 6.8 million lines in December 2000 to over 121 million lines in December 2007, the most recent period for which we have data. In what might be a better measure of "broadband" deployment, FCC data shows the number of lines with transmission speeds greater than or equal to 2.5 megabits per second grew from December 2005 to December 2007 by 70 percent, from approximately 27 million lines to over 45 million lines.

As a result, the American broadband sector presents us with a solid foundation upon which to build. Although more can, and should, be done to improve on our broadband competitiveness, let's be sure to recognize what has gone right at least as much as we analyze any shortcomings. Some estimates regarding private investment in domestic broadband infrastructure in this year alone exceed \$80 billion – and that is during a time when private capital is extremely scarce at best. Few, if any, industries can make such claims. The point is that even in light of imperfections, the American broadband market has positive momentum in a time when other sectors are struggling. Let's be sure to accelerate that progress with future policy decisions.

As we develop our record in this proceeding, I will keep in mind some fundamental concepts. First, it is critical that our plan be competitively and technologically neutral. Given the incredibly diverse nature of our country – both in terms of geography and demographics – our plan must not favor one particular technology or type of provider over another, even inadvertently. Broadband deployment throughout America simply is not a one-size-fits-all proposition. Wireline, wireless and satellite technologies are meaningful alternatives, each worthy of our attention. For instance, to deny the people of Alaska the benefits of broadband connectivity via wireless and satellite would be tantamount to isolating the tens of thousands of Americans who live on Native lands and in subsistence villages. Thus, as we proceed, we must be mindful of the law of unintended consequences before making any new rules.

In addition, it is essential that our plan give current and prospective broadband network and service providers the proper incentives to deploy new technologies. We must also provide entrepreneurs with the flexibility to make full use of all available spectrum, including the television white spaces, to backhaul broadband traffic. In order to attract investors to fund the buildout of new networks, we must not engage in rulemakings that produce whimsical regulatory arbitrage. Rather, we must allow market players to succeed or fail on their own merits and not due to the government picking winners and losers.

In short, our rules must allow network operators to have a reasonable opportunity to pay back their investors. That's the only way to improve existing networks and build new ones.

It is equally as important that consumers continue to have the freedom to pull – or push – the legal content of their choice anytime, anywhere, and on the device of their choosing within the physical limitations of the networks they use. The market is rushing to satisfy the latest consumer demand in this regard. Let's make sure the government does not get in the way of these developments. Accordingly, we must avoid counterproductive government mandates that can disappear in a two, four or eight year election cycle. Such short time horizons will merely scare away investors.

Because we begin with a clean slate, this Notice of Inquiry presents myriad questions. Some are narrow and specific. Others are broader. All are important. If commenters think of questions we should have asked but did not, please raise them. If you disagree with the premise of a question, by all means say so. Your advice will help us to develop a thoughtful, reasonable, practical and pragmatic plan. As these issues are interdisciplinary and cut across the Commission's stovepipe organization, I am pleased that the responsibility of this proceeding is jointly shared among several bureaus and offices, each with its own expertise and perspective. In the meantime, I look forward to studying the data, analyses and comments and engaging with all stakeholders as we move forward.