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June 2, 2011

The Honorable Julius Genachowski
Chairman
Federal Communications Commission
445 12th Street, SW
Washington, D.C. 20554

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Dear Chairman Genachowski,

Thank you for your hard work on behalf of the millions of Americans who need greater access to fast and reliable broadband services. In particular, I want to reiterate my appreciation for the Commission's effort on the Recovery Act Broadband Initiatives Program (BIP), under which the \$100 million satellite project category was established, and the Broadband Technology Opportunities Program (BTOP), which supported the EAGLE-Net (Educational Access Gateway Learning Environment Network) Alliance project that will benefit Colorado's public schools and anchor institutions. When the Energy and Commerce Committee drafted and debated the broadband grants in early 2009, I fought to ensure that satellite services would be on a level playing field with other competitors. Unfortunately, I am once again requesting fair treatment of satellite service providers, this time with respect to the Notice of Proposed Rulemaking on the Connect America Fund (CAF).

I am concerned the FCC has proposed to structure the Connect America Fund in a way that limits the ability of satellite companies to compete as a direct or prime contractor in reverse auctions and precludes all participation in Phase I of the CAF. It is almost always my preference for proposals like this to remain neutral on technology, both on its face and as applied, so that all broadband providers are eligible to compete based upon cost and capabilities. In setting up a reverse auction, the NPRM appears to effectively propose eliminating satellite from primary consideration. Any technology capable of providing service should be allowed to participate in the FCC's process as a direct or primary bidder, or in a partnership, in order to most efficiently bring the benefits of broadband to households in need of service. This would allow the FCC to best determine what type of service provider meets the needs of those in hard to reach places in the most cost-effective manner.

Satellite is a proven technology that is demonstrating its ability to provide the necessary broadband services every day. In fact, the Recovery Act Broadband Initiatives Program (BIP) through the Rural Utility Service (RUS) shows how satellite service providers can quickly and cost-effectively reach rural Americans. In its first six months, one satellite provider connected

nearly 80,000 rural households under its award. Other RUS grant recipients see demand outstripping supply of funds available through their grants and expect funding to be exhausted by later this year, nearly 2 years in advance of the RUS deadline.

Satellite capabilities have advanced exponentially in the past decade and could greatly reduce the size of the high-cost fund while providing speeds that exceed the highest speeds possible with long-loop DSL. According to recent studies, satellite broadband providers will be able to use expanding capacity, along with significant advances in technology, to offer service improvements that exceed evolving standards. I have been told that satellite broadband operators will have sufficient capacity in 2015, after the launch of two next-generation satellites scheduled for this year and next, to provide speeds of approximately 4/1 Mbps, leading to better broadband service availability for about one million currently "unserved" households. Additional analysis suggests satellite broadband providers could deploy more satellites with enough capacity to serve over six million households by 2020 and offer the least expensive way to fill more than 45 percent of the broadband service gap.

I appreciate the willingness of the FCC to reconsider and reevaluate the role it envisions for satellite service in this proposed program. I look forward to continuing to work with the Commission on this and other important issues. If you have any questions or would like to discuss this issue further, please contact my Staff Director, Brendan Devine, at (202) 225-4431 or by e-mail at Brendan.Devine@mail.house.gov.

Sincerely,



Diana DeGette