

**TESTIMONY OF JOE PORTMAN, PRESIDENT AND FOUNDER,
ALAMO BROADBAND INC., ELMENDORF, TEXAS
AT THE TEXAS FORUM ON INTERNET REGULATION**

TEXAS A&M UNIVERSITY, BUSH SCHOOL OF GOVERNMENT & PUBLIC SERVICE

COLLEGE STATION, TEXAS

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Hello everyone, Good Morning.

Before I start my remarks I want to say I am honored to be invited to speak here in this forum.

I thank everyone involved in setting this up, the folks here at Texas A&M University, and of course Commissioner Pai.

I also wish to mention that the views stated here are not necessarily the views of WISPA, an organization to which I belong and support whole heartedly.

WISPA was not asked to speak here today, I was and so I'll present my views accordingly.

My name is Joe Portman and I am the founder and President of Alamo Broadband Inc., a WISP that serves about 500 square miles just South of San Antonio Texas. We currently serve over 700 customers, many of which had very limited choices for internet service before we came along. The big names, the telcos and cable companies, when it comes to rural areas such as the areas we serve don't see the value and won't invest the capital (at least if it's their money) to build infrastructure and bring service to the people that live there.

We, and thousands others like us, have found a way to do it.

This is not my first ISP, I started another in 1994 with 6 modems in a spare bedroom and I sold that business in 2000 and 'retired' to Elmendorf TX to be near my family. Elmendorf is less than 1 mile outside the city limits of San Antonio and imagine my surprise when there was no good internet service to be had. And so, after a long and fruitless search, Alamo Broadband was born.

Like the majority of WISPS we use unlicensed spectrum as our last mile delivery vehicle. We share the spectrum with all the other WISPS and unlicensed users, such as home routers, cell phones, industrial monitoring, smart meters, etc. It's a challenge sometimes, but we always find a way.

We are completely self funded, no help from the government, no government grants or low interest loans etc. I don't have research or figures, but my conversations with other WISPs and traffic on the WISP mailing lists indicate that the vast majority of WISPS are similar.

We are not unregulated by any means, like most small business operators we face numerous challenges on a daily basis, not the least of which is complying with every entity in the local, state and federal government that wants a 'piece of the action.'

Seems if a service springs up, the very next thing that happens is someone figures out how to tax it.

Shortly thereafter, someone else will start trying to regulate it.

I support the concept of Net Neutrality, although as someone famous has said, it's a "non trivial problem."

It's a moving target.

The Internet of today is definitely not the Internet of 1994, and the Internet of 2024 will not be the Internet of today.

In 2010, the FCC adopted a “light touch” approach. While many small operators were concerned, we nonetheless complied with the new rules. One significant thing the FCC realized was that WISPs face—and I’m quoting—“unique network management challenges” because we do not have exclusive use of the last mile link. This means that what is “reasonable” for my company to do may not be so for companies that use other technologies. This has not changed. In fact, the challenges we face today are greater than those we faced in the past because customers are using more and more bandwidth for Netflix, Hulu and other video streaming services. To keep the network running efficiently a network operator needs to be free to take any necessary action to protect the integrity of the network so they can continue delivering quality service to their customers.

Internet regulation is getting a lot of attention these days, in fact, I was invited to attend a protest at this very location, all in the name of ‘Net Neutrality.’ I’m not big on protests.

And so, that brings us to why I am really here today. Title II regulation of WISPs. I think it’s pretty much a terrible idea borne of good intentions. The phrase “unintended consequences” comes to mind. Here are a few of the problems I see with this approach:

1. Increased disclosure and reporting requirements of not just our internet practices, but every facet of our business. Small companies such as mine simply cannot bear the cost of preparing and filing these items. Our staff is pretty busy just dealing with the loads we already carry. More staff to cover regulations means less funds to run the network and provide the very service our customers depend on.
2. I am informed by an attorney, any violation of these new regulations would not only carry potential fines, but damages as well. If you’ve heard of patent trolling, then you can imagine some of those same people would quickly figure out a way to start trolling ISPs as well. A few successful cases would be all it takes to start a landslide in the WISP industry.
3. And here’s the rub, the regulations would not really be addressing the core issue: the likelihood that the dominant companies with big market power will use that power to take advantage of small broadband providers.
4. The enforcement process must be fair to small businesses. So I think it’s a good idea to eliminate expensive formal complaints and require people to negotiate in good faith with their ISP for 30 days before they can file a complaint. And, let’s make sanctions specific. Under the current rules, I don’t know if a violation of the net neutrality rules is a one dollar problem or a one million dollar problem. I can’t accurately assess the risk, and investors can’t quantify the risk. This raises a barrier to small businesses seeking capital and stifles growth.

In summary, “if it ain’t broke don’t fix it.” The Internet has experienced massive growth since 2010, and absent any landmark changes, it will continue to do so. Title II and the more onerous and costly regulations will work against the goals of encouraging broadband deployment to all Americans. We are not common carriers and we don’t operate as common carriers. We don’t need to be regulated as common carriers.

The Internet is a wondrous, mysterious, beautiful thing. It’s like a living breathing organism as vast as the ocean and as unknowable at times. There is simply no way to know where it will take us next. My fervent hope is that it takes us, as a species, to a new level of conscience. To a place without hunger or war. To get there, everyone will need access. Let’s not make it any harder than it already is.

Thank you, I look forward to your questions.