RAÚL M. GRIJALVA OF ARIZONA
CHAIRMAN

DAVID WATKINS
STAFF DIRECTOR

ROB BISHOP OF UTAH
RANKING REPUBLICAN

PARISH BRADEN
REPUBLICAN STAFF DIRECTOR

U.S. House of Representatives
Committee on Natural Resources
Washington, DC 20515

May 7, 2019

283

The Honorable Ajit Pai
Chairman
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Dear Chairman Pai:

It is no secret that the cost of deploying fiber or other forms of wireline and wireless broadband access to our nation's rural and remote communities is expensive, and we have an obligation to bridge the digital divide for all communities, regardless of where they may be located. The same should be said for our nation's territories like the U.S. Virgin Islands and the Commonwealth of Puerto Rico.

The U.S. Commonwealth of Puerto Rico and the U.S. Virgin Islands are geographically located in the most active hurricane corridor of the Atlantic Ocean. The increasing regularity of extreme weather, including multiple 100-year events per decade, require a serious assessment of emergency preparedness and substantial investments into building a resilient systems and infrastructure in the region.

In 2017, Hurricane Maria caused approximately $1.5 billion in damage to Puerto Rico's telecommunications infrastructure. Hurricane Maria downed 1,360 of Puerto Rico's 1,600 cell phone towers and 85% of above-ground telephone and internet cables. To fill the resulting communications gap, FEMA deployed satellite VSAT equipment to Puerto Rico for stop-gap communications restoration. Additionally, international relief organizations deployed satellite VSAT equipment and provide emergency communications for months.

After the hurricanes we saw the full extent of the damage to the telecommunications infrastructure, which was extensive and resulted in most parts of the island being cut off from the world. The only systems that worked effectively during those critical months were emergency VSAT equipment.

We learned after the hurricanes of the large number and diversity of stakeholders with a desperate need for emergency communications infrastructure – such as local governments – including local law enforcement and public works crews, hospitals, first responders, supermarkets, banks, credit unions, community-based organizations, schools, refugee centers, pharmacies and churches.

In the absence of consistent power, hospitals could not communicate with emergency personnel to evacuate patients, banks were unable to open, forcing people to stand in line for hours to withdraw very limited amounts of cash from the few ATMs that were functioning.

Pharmacies were unable to process claims and dispense prescriptions, while vendors of all types were unable to process POS – 'point of sale' electronic transactions at a time when consumers had limited access to their banks to withdraw cash and their credit and debit cards became useless without electricity. In addition to being more reliable, satellite broadband is also more affordable in an emergency. It costs more than $22,000 per mile to install telephone poles and restring fiber, and even more to buy the rights of way to bury fiber underground. Satellite offers immediate cost-effective accessibility to even the most remote locations.

While most federal grants are technology neutral, to be eligible for a number of broadband deployment grants a provider needs to be a common carrier, which is not always feasible in Puerto Rico and the Virgin Islands, even for those with local facilities. The Puerto Rico Telecommunications Regulatory Board is not authorizing certifications of any locally-based satellite providers as an eligible telecommunications carrier, therefore creating a de-facto prohibition on expanding the use of satellite technology.

This provision handcuffs communities that have no viable wireline or wireless broadband alternatives and leaves them in the dark in a permanent digital divide. For that reason, I urge the Commission's support for those solutions that ensure immediate broadband connectivity in rural and remote communities through rulemaking or statutory changes to permit these activities and through sustained funding. At the present time, the best and most cost-effective of all technological solutions continues to fiber where deployable, but we cannot overlook the value of satellite when no other functional options exist and during times of national emergency.

Another area of interest is the applicability of satellite-based broadband through the e-rate program to rural and remote schools and libraries where no other technologies can provide reliable service. Just recently the Secretary of Education of Puerto Rico met with a group of organizations, school teachers, parents in Culebra, Puerto Rico to discuss this very issue. The Secretary identified that there are some schools located in regions where the state-wide e-rate service provider does not have functional coverage. Due to the e-rate program's restrictions against redundant technologies, even if the carrier was able, they could not use satellite technology. The net result has been that those schools in remote and rural areas continue to be left without access to the internet.

At a time when access to the internet is considered ubiquitous within educational settings, we urge that the Commission ensure that the Commonwealth of Puerto Rico seek to separate schools in remote and rural communities without consistent or reliable wireline or wireless broadband access from multi-year sole-provider master service agreements. Indeed, we understand that one or more schools are already in the process of securing charitable funding from private

foundations to install satellite-based broadband for their classrooms. This recent effort seems duplicative and demonstrates waste in the e-rate program since a provider is already on contract for that service but cannot offer reliable coverage, forcing the state to spend twice for the same connectivity.

In the aftermath of Hurricane Maria, the Commission provided emergency funds to Puerto Rico for schools and libraries, and extended the deadlines, to upgrade disconnected schools with internet and other telecom services. The Department of Education notified interested parties in December 2017 that carriers were too busy with restoring their infrastructure. The Department was unable to use these funds with other providers because the master service agreement prohibited the government from reassigning the contract – either in part or in whole – to other service providers. We therefore urge the Commission to work with the Commonwealth of Puerto Rico to ensure that carriers are either allowed to subcontract the services of satellite providers with local facilities as a redundant technology or require that schools in these remote areas where terrestrial and wireless coverage is simply not practical are serviced by other carrier(s).

We look forward to your response on these suggestions. Thank you in advance for your kind consideration.

Sincerely,

Rául M. Grijalva
Chairman
Committee on Natural Resources

Nydia M. Velázquez
Chairman
Committee on Small Business

Jennifer González-Colón
Member of Congress