List of Priorities
Regarding Proposed Rule Implementing the ConnectME Statute

11/30/06

In order of priority we offer the following areas for consideration:

1. The Authority should place as its first priority the identification of the specific unserved areas and dedicate all resources (time and funding) to elimination of those areas first.

Suggestion: The Authority could partner with the MMA or the OPA to solicit direct customer input from anyone who does not have broadband assess availability. This could be a similar effort that the OPA has made with identification of "cellular service holes". It would also serve as a good public information effort for the Authority.

2. The definition of "Underserved" should be objective and measurable. Subsection 5(C) (1) (b) does not currently allow a determination as to whether declaring a location to be underserved would inhibit or impede private investment or diminish the value of prior private investment as required by the statute.

3. The Rule should strike a reasonable balance between encouraging private investment and asking ratepayers to pay for rural broadband expansion.

   a. Section 6(B) provides for waiver of the one-year completion period for parties applying for Authority funding, but no such waiver potential appears for existing broadband service providers who encounter unforeseen delays. Instead there appears to be consideration of penalties for such delays.
   b. Before funding a project, the Authority should take reasonable steps to determine that a clear indication of the potential for a return on investment exists.
   c. Ratepayer/taxpayer money should only be used if the private sector does not accept a project.
   d. Service Providers should be allowed to propose projects to the Authority absent a Bona Fide Request from a community/area.
   e. The Draft Rule does not contain clear, explicit criteria for choosing which projects will receive consideration. An application process should be included in the Rule.

4. The Rule should directly reference the sections of the statute that are being cited, rather than attempt to restate the language. This would avoid any unintended changes in meaning or intent. Examples include:
    a. Section 1 (1) as pursuant to §9204;
    b. Section 1 (3) as pursuant to §9204(2)(A);
    c. Definition of Communications Service as defined in §9202(3);
    d. Section 7(B)(1) as pursuant to §9211(2).

5. All data requested and received by the Authority should be designated as confidential.

6. Clear standards and details for determining return on investment of Authority funds and criteria for whether private investment is impeded or encouraged must be developed by the Authority.

7. Proposed penalties for not completing Authority projects within one year should be replaced with other tools for managing project completion.

   Suggestion: Eliminate any provider for future Authority funding or pay funds out on a milestone completion basis.

8. The Rule should be very clear that the retail revenues of all providers are subject to assessment.