

# Verrill Dana<sub>LLP</sub>

Attorneys at Law

JAMES I. COHEN  
PARTNER  
jcohen@verrilldana.com

ONE PORTLAND SQUARE  
PORTLAND, MAINE 04112-0586  
207-774-4000 • FAX 207-774-7499  
www.verrilldana.com

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**VIA EMAIL**

Mr. Daniel Breton, Chair  
ConnectME Authority  
E-mail: [connect.me@maine.gov](mailto:connect.me@maine.gov)

Re: ConnectME Authority, Proposed Rulemaking re: Chapter 101, No. 2006-P239

Dear Mr. Breton:

Verizon Wireless is pleased to provide written comments in response to the above-noted rulemaking of the ConnectME Authority.

By way of background, Verizon Wireless has been an active participant in the process leading up to the submission of legislation by Governor Baldacci during the 122<sup>nd</sup> Legislature establishing the ConnectME Authority, and we actively participated in the review and finalization of what was finally adopted this spring as the Advanced Technology Infrastructure Act. On October 18<sup>th</sup> of this year, Verizon Wireless provided oral comments to the ConnectME Authority regarding the pending draft rules. Our written comments essentially follow the same points we raised at that meeting.

**Verizon Wireless is investing heavily in Maine.** Our first comment is to provide information to the Authority with respect to the ever-increasing investment Verizon Wireless has been making in Maine to expand service to the people of this State. These investments reflect the highly competitive nature of the industry, and customers in Maine and elsewhere are benefiting from such competition.

Over the last two decades, the price of wireless services has fallen dramatically, and at the same time, the quality and scope of wireless telephone services has increased exponentially. Customers can now find inexpensive plans with vast amounts of minutes to call anywhere in the country without incurring additional roaming or long-distance charges. New data and text messaging services are emerging, and as technology improves and gets rolled out, the ability of customers to use their wireless equipment for Internet and video services grows apace. In this respect, it is critical that any rule adopted by the ConnectME Authority work within this competitive framework and minimize any potential risk of interfering with free and open competition.

Overall Verizon Wireless has been aggressively investing billions of dollars in its network each year including more than \$1 billion worth of investments every 90 days. In 2005, Verizon Wireless invested well over \$300 million in New England alone. Verizon Wireless

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invested \$30 billion into its national network over the past 6 years as part of its commitment to offer its customers the most reliable service available, including wireless data services such as picture messaging and TXT messaging. In Maine, Verizon Wireless has doubled the number of cell towers within the last 12 months with more on the way before year end, and even more expected next year. In addition, Verizon Wireless is seriously looking at wireless broadband/EVDO, initially in Southern Maine, and then expanding into Northern Maine.

In the early part of October, Verizon Wireless turned on 8 new cell towers in Maine. Several weeks earlier, Verizon Wireless announced that 13 new sites were coming on line in the Maine Highlands area region reaching Bangor, Carmel, Etna, and Orono. In addition to these activations, Verizon Wireless turned on a dozen new cell sites in February, more than 10 in April, and 14 in June. The net result is that more than 50 cell sites have been added in Maine over the past 6 months. Between 2002 and 2005, Verizon Wireless invested over \$31 million in Maine, including 31 new cell sites in York County, greater Portland, greater Bangor, greater Waterville, and the greater Lewiston-Auburn area.

To provide even greater detail on the nature of cell tower activations that Verizon Wireless has made in Maine this year, please see Attachment A. Attachment A contains a partial list of new cell sites added throughout the State.

**Remove requirement that retail coverage maps be provided annually.** Under Section 3(B) of the proposed rules, wireless carriers would be required on an annual basis to submit retail coverage maps to the Authority at both a -85 db and a -95 db level. These maps would show the current service coverage of each wireless provider in the State of Maine.

As an initial matter, the provision of such mapping information is unprecedented both in Maine and nationally. Wireless carriers are not regulated by state utility commissions, and the filing of information at the state level is typically limited to intrastate financial information related to the collection of certain fees. The Federal Communications Commission collects and distributes information on a county by county basis indicating which carriers provide service in each county throughout the nation, but the FCC does not require the submission of mapping information, nor does any other state or federal agency of which we are aware.

Verizon Wireless is also concerned that requiring the submission of coverage maps to the Authority unnecessarily places at risk the confidentiality of the information contained in the maps. As noted earlier, the wireless industry has been able to benefit its customers in large part because of the highly competitive nature of the business. Competition is enhanced when confidential coverage maps are not shared with competitors. Likewise, premature disclosure of coverage maps could undercut the value of potential investments and potentially discourage such investments from ever being made. This would work to the obvious detriment of Maine people.

According to the terms of the rule, coverage maps submitted to the authority would be considered "confidential information" and therefore exempt from Maine's Freedom of Access laws. However, given the possibility that industry members may have access to the data either by virtue of their future membership on the Authority or the related Advisory Committee, there are competitive risks associated with submitting this information. Likewise, despite the best

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efforts of the Authority and its highly qualified staff, there would continue to be risks that confidential information submitted to the Authority might inadvertently come into the hands of competitors.

Given this background, we would urge the Authority to stay within the existing national regulatory framework and avoid requiring the submission of mapping information. In this case, alternatives exist that will allow the Commission to fulfill its mission without the collection of highly sensitive mapping information.

Specifically, the Authority would only need wireless coverage information in the context of evaluating a specific application by a carrier for ConnectME funds to finance a project in an unserved or underserved area. Certainly, an annual coverage map could inform the Authority with respect to areas that are unserved or underserved. However, it is also true that an annual mapping requirement would leave the Authority with obsolete information that did not reflect the rapid buildout of carriers within the state. The build-out information noted above by Verizon Wireless underscores how rapidly coverage improves and expands in the State, and if the Authority were to receive coverage information on an annual basis, it would routinely underestimate the scope of wireless coverage in Maine when evaluating applications for funds.

A better approach would be to require all grant applicants to include coverage information in their applications showing the availability of service in the areas sought to be served. This information is readily available to carriers, all of whom maintain specialized vehicles with sensitive radio equipment that can drive through a geographic area and monitor each of the available wireless frequencies. With this information, the applicant can develop a sophisticated coverage map using GIS information, which map could be attached to an application for ConnectME funds. The advantage of this mechanism is that the information would be up to date, not a year old "snapshot," and the information would reach both the Authority and the applicant, who would need to conduct this analysis anyway before making an application.

An applicant-driven process can be further enhanced by allowing competitors to submit information challenging an applicant's representation that the proposed service area is either unserved or underserved. By modifying Section 6(E) of the rule to require notice to carriers when an application has been submitted (as opposed to after a grant has been awarded), competitors would be able to bring forward to the Authority future build-out information related to the geographic area covered by the application. If competitors are able to persuade the Authority that new coverage is imminent in the covered area, the Authority would in turn be able to deny the application and thereby avoid investing its scarce resources in projects that will already be built.

As a final note, if the Authority remains interested in globally monitoring the progress of ConnectME related to the overall goal of expanding the footprint of wireless coverage in Maine, other less sensitive options are available. In particular, the FCC maintains data indicating which carriers provide service in which counties. This information can certainly inform the Authority with respect to the growth of wireless competition within the State. In addition, most if not all wireless carriers maintain relatively detailed coverage information on maps available to the

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public on their websites. These maps are useful to customers trying to select among carriers within a particular geography. And, while the information is not as detailed at the -85 db or -95 db maps required in the current rulemaking draft, they should be more than adequate to inform the Authority with respect to the progress of growing wireless coverage in Maine.

**Clarify that Wireless Providers not covered by Broadband Rules.** Our third major point has to do with the scope of the rule. As currently configured, the rule is divided into two major categories, broadband services and wireless services. As a mobile telecommunications provider, Verizon Wireless would be covered by the wireless services portion of the rule. However, because Verizon Wireless also provides wireless services at broadband speeds, it was not clear whether the portion of the rule related to broadband service would cover Verizon Wireless as well. In our view, the clear intent of the Legislature was to cover mobile service providers under the wireless portions of the rule, but not the broadband portions of the Rule. However, to make this intent clear, we would ask the Authority to clarify the Rule to avoid any ambiguities in this regard.

**Conclusion.** Overall, we appreciate the good work done by the ConnectME Authority in developing these rules. We hope our comments assist the Authority in modifying the Rules to best meet the goals of ensuring a competitive market and growing wireless service in Maine. Obviously, if you have any questions or would like additional information, please do not hesitate to let us know.

Sincerely,



James I. Cohen

Attorney for Verizon Wireless

JIC/mhw

Enc.

cc: Daniel Mullin, Verizon Wireless  
Lolita Forbes, Esq., Verizon Wireless

**ConnectME Authority Rulemaking, No. 2006-P239**  
**Verizon Wireless -- Attachment A**

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- **Bangor (4 sites):** Provides new coverage along I-95, ME-9, ME-15, ME-100, ME-178, ME-220, ME-222, and US-2 as well as portions of the Town of Bangor and Bangor Airport. The sites link coverage with each other as well as with the new site in Orono and the existing sites in Eddington and Hermon.
- **Brewer:** Provides coverage and capacity along I-395 and US-1 Alt as well as the southern portion of the Town of Brewer, joining with the new Bangor sites and existing Holden site.
- **Carmel (2 sites):** Provides new coverage along I-95, ME-69 and ME-100/US-2. The sites tie-in coverage with each other as well as new Hampden site to the east and the existing Etna site to the west.
- **Etna:** Provides new coverage along I-95, ME-69, and ME-7, providing interconnection to the new Carmel site to the east and the existing Plymouth site to the west.
- **Hampden (2 sites):** Provides new coverage along I-95, and US-202. The sites connect coverage with each other as well as new Carmel site to the west and the existing sites in Hermon, Brewer and Orrington.
- **Old Town:** Provides coverage along I-95, US-2, US-2 Alt, ME-9 and ME-16, linking with the new Orono site and existing Eddington sites to the south.
- **Orono:** Provides new coverage along I-95, joining with the new Bangor sites to the south and the Old Town site to the north.
- **Damariscotta:** Provides new coverage along US-1, and to the majority of the town of Damariscotta, connecting coverage with the new Newcastle and Nobleboro sites to the east and north.
- **Newcastle:** Provides new coverage along US-1 and ME-129, connecting coverage with the existing Edgecomb site to the east and new Damariscotta site to the west.
- **Nobleboro:** Provides coverage along US-1 and into the southern half of the town of Nobleboro, connecting coverage with the new Damariscotta and Waldoboro sites to the southwest and east.
- **Waldoboro (2 sites):** Provides new coverage along US-1, ME-235, and ME-220, as well as the western portion of the town of Waldoboro. The sites connect coverage with the new Nobleboro site to the west and the existing Warren site to the east.

- **Greene (2 sites):** Provides new coverage along US-202 and into the town of Greene and along ME-132 in the town of Wales. The sites connect coverage with existing sites in Greene to the northeast and southwest, Auburn Lake to the southwest, and Monmouth to the northeast.
- **Lewiston:** Provides new coverage along Hwy-126 and US-202, connecting coverage with existing sites in Auburn to the west, Auburn Lake to the north, and Lewiston to the east.
- **Poland:** Provides new coverage along portions of ME-26 and ME-121 as well as into downtown Mechanics Falls, connecting coverage with existing sites in Poland to the south and Oxford to the north.
- **Sabattus:** Provides new coverage along portions of I-95 (Maine Turnpike), ME-9, ME-126, ME-132, ME-197 and to the western half of the town of Sabattus, connecting coverage with the new Lewiston site to the southwest and the existing Litchfield site to the northeast.
- **Augusta:** Provides new coverage along ME-17, ME-105, and US-202, connecting to existing sites in Augusta.
- **China (2 sites):** Provides new coverage along ME-3, ME-32, and US-202. The sites connect coverage with each other and with existing sites in Vassalboro to the north and west and in Palermo to the east.
- **Richmond:** Provides new coverage along I-295, ME-197, US-201 and in the southern portion of the town of Richmond, connecting coverage with existing sites in Bowdoin to the south and West Gardiner to the north.
- **Randolph:** Provides new coverage and capacity along US-201, ME-9, ME-26, ME-27, and ME-226 as well as the town of Randolph and across the river into downtown Gardiner, providing connectivity with existing sites in Gardiner to the south and Farmingdale to the north.
- **Lebanon and Sanford:** Provides increased coverage and capacity along ME-111 as the company continues to expand its wireless network in York County.
- **York, Wells, and North Berwick:** Provides coverage along the Maine Turnpike (I-95), including the York tollbooths, as well as along ME-4, ME-99, ME109, and US-1.