

Good morning. I'm Fran Bradley, Director of Government Affairs for Atlantic Broadband. I also serve as the Chairman of the Broadband Cable Association of PA, more commonly known as BCAP, representing large, small and medium cable operators in Pennsylvania. The cable industry was created here in the Commonwealth in 1948 as a rural service, to bring the magic of television to customers in the hills and hollows who couldn't receive a broadcast signal. Today, the cable industry is following a similar track in the Commonwealth extending access to Gigabit broadband service to 99 percent of the customers in our cable footprint, or 95 percent of Pennsylvania households.

I appreciate the opportunity to be here today and share my thoughts regarding broadband services especially in some of the more rural areas such as those where Atlantic Broadband provides service.

Atlantic Broadband is the 8th largest cable operator in the country providing video, internet and phone services to homes and businesses in many rural areas in parts of Maine, New Hampshire, Connecticut, New York, Delaware, Maryland, West Virginia, Virginia, South Carolina, Florida and of course right here in Pennsylvania.

At Atlantic Broadband, we believe Pennsylvania is a great place to live and work offering a tremendous workforce of talented and dedicated employees. We have several work locations in Pennsylvania including our office right here in Fayette County in Uniontown. We directly employ over 567 Pennsylvanians including more than 90 just in our Uniontown office and at least 100 contractors throughout the state.

In Pennsylvania, Atlantic Broadband provides a wide variety of telecommunications services in about 250 communities in some of the state's more rural areas. We operate in parts of 17 counties across of the Commonwealth including Fayette, Greene, Washington, Union, Westmoreland, Mifflin, McKean, Clearfield, Luzerne, Blair, and Cambria along with several other rural Counties. Atlantic Broadband just announced the availability of Gigabit speed Internet throughout its Western PA footprint, having already been made available in the Johnstown, Altoona, Bradford and Warren service areas last month and our systems near the Poconos.

Among BCAP members, Atlantic Broadband's broadband buildout is not unusual. We are committed to working with you to close the digital divide.

We acknowledge that the FCC existing maps overstate broadband coverage, leaving some areas ineligible to receive some federal broadband deployment subsidies even when the majority of households in a given census block lack service.

The Internet & Television Association (NCTA) and ACA Connects are urging the FCC to refine its current data collection process so as to allow providers to submit a more granular and accurate data collection model called "shapefile mapping," which has been proposed in both the federal House and Senate. This kind of mapping is supported not only by NCTA and ACA Connects, but by the American Farm Bureau Federation, National Rural Electric Cooperative Association, Connected Nation, and Competitive Carriers Association because it will efficiently and quickly provide the information needed to create more accurate maps that will encourage a more efficient and effective use of government resources.

Unfortunately, efforts to focus on more accurate mapping were setback in June by a Center for Rural Pennsylvania (CRP) report, "Broadband Availability and Access in Rural Pennsylvania," which co-mingles availability and adoption and uses a flawed speed test to double down on the confusion. Broadband is available if a person can purchase the service from a cable, telecommunications, wireless, or other provider. A person has adopted broadband if they actually purchase the service.

Broadband service needs to be available or it cannot be adopted. Once broadband is available, it is important to recognize that the Internet speed a customer chooses to purchase is not the same as the level of service available to them. More than 95 percent of the 5 million homes in Pennsylvania have cable broadband access, and nearly 99 percent of those residences are offered Internet speeds of up to 1 Gigabit. However, many customers choose to purchase service tiers that are slower than the fastest service available in their area. For example, a person could choose to buy a 10 Mbps service because it is sufficient to meet their needs, even if a 25 Mbps service is available. The CRP report failed to clarify that if broadband is available to these people and they

have adopted the service, they might buy less than the currently defined FCC definition for so-called advanced telecommunications capability (i.e., 25 Mbps).

Speed tests can provide helpful information. However, speed tests are of limited help when identifying where broadband is available. For example, a person that has chosen not to buy broadband, despite having broadband available in their area, will be shown as not having access to broadband at all. Likewise, performing a speed test with a person who purchases the lowest tier of service available in an area does not indicate that higher speeds are available in that area. It shows only that the test subject chose to adopt a certain tier of service. The “Broadband Availability and Access in Rural Pennsylvania” study also makes this mistake. Unfortunately, the study doesn’t advance the cause of rural broadband.

BCAP urges the CRP to join us in finding ways to extend broadband to rural Pennsylvania. BCAP members are already taking the lead:

Blue Ridge Communications in Monroe County is partnering with local communities to aggregate demand and extend broadband.

German Township in Fayette County is using franchise fees to partner with Atlantic Broadband to extend broadband.

Atlantic Broadband and Comcast are working with the Pennsylvania Office of Broadband Initiatives on a weekly basis to re-evaluate the economics of expanding the company’s broadband footprint in specific areas.

Unfortunately, these efforts aren’t enough.

In some hard-to-reach, density-challenged, unserved areas, it simply is not economically feasible for providers to deploy and operate broadband networks without government support. In those cases, we support technology-neutral programs that focus taxpayer dollars on areas that are most in need. Our companies want to be part of the solution to closing the digital divide, and have been partnering with federal and state governments to do so.

Armstrong, the Butler-based company that provides service in 17 Pennsylvania Counties, is using Connect America Fund II (CAF II) funds and PennDOT incentive funding to extend broadband in eastern Erie, Crawford and Mercer Counties. Using CAF II and NY State Butler County-based Armstrong is building 3,200 miles of broadband infrastructure in western New York.

If Pennsylvania wants a program to advance the deployment of broadband in rural areas, here's a proven framework to make it a reality:

- Identify and invest only in unserved areas (areas lacking 25/3 speeds);
- Limit eligibility to non-governmental entities with a track record of building and operating high-speed broadband infrastructure;
- Prohibit overbuilding – it's unnecessary and inefficient;
- Require non-governmental entities to fund a minimum of 25 percent of the proposed project with private capital; and,
- Be technology-neutral.

This framework is in Senate Bill 835, the Unserved High-Speed Broadband Funding Pilot Program Act, sponsored by Senator Langerholc. It is modeled after the FCC's successful Connect America II (CAF II) program which, coupled with broadband dollars from PennDOT, is enabling companies like Tri-County Rural Electric and Armstrong, to expand broadband in rural Pennsylvania. BCAP respectfully urges you to consider SB 835.

Madam Chair, I would like to thank you and the Committee members for the opportunity to represent BCAP and Atlantic Broadband before the Committee today.

I look forward to your questions. Thank you.

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