

APPA Community Broadband Conference  
Boston, Massachusetts  
October 10, 2005

**A Brief History of Public Power Utility  
Communications Initiatives**

Jim Baller  
The Baller Herbst Law Group, PC  
Washington, D.C.  
(202) 833-1144  
Jim@Baller.com

# Overview

The Legacy

Overview of APPA Member Deployments

Results

Challenges

# The Legacy of Local Choice

- Electrification a century ago
  - Rural America
  - The big cities
  - Industry responses
  - 1/3 declare success, sell to private sector
- Myth: electricity sold itself

# The Pioneers

- Frankfort, KY – 1952; Shrewsbury, MA – 1983; Conway, AR – 1984; Easton, MD – 1984
- **Glasgow, KY**; Paragould, AR; Morganton, Phillipi, WV;. – late 1980s-early 1990s
  - Legal issues: authority, exclusivity, “public purpose,” First Amendment, Equal Protection, etc.
  - Anti-competitive practices: predatory prices, access to programming, inside wiring, etc.
- **Cable Act Amendments of 1992**

## 1992-1996

- Early entrants/explorers, including Anaheim, CA; Gainesville, FL; Marietta, Newnan, GA; Hawarden, Muscatine, Cedar Falls, Harlan, IA; Braintree, MA; Wadsworth, Lebanon, Bryan, OH; Austin, San Antonio, TX; many others
- **1995 – Texas barrier to public entry**
- **Telecom Act of 1996** – “No state statute ... may have the effect of prohibiting ... “any entity” ... to provide any ... telecom service”

## 1996-2000

- Post-Telecom Act surge of interest across US
- Most pre-Telecom Act explorers go forward
- Incumbents push for barriers to entry
- *Abilene, Hawarden, MEAG* “any entity” cases
- Other notable entrants include Alameda, CA; Scottsboro, AL; Coldwater, MI; Ashland, OR; Memphis and Chattanooga, TN; Tacoma, WA

## 2000-Today

- More state barriers to entry
- *Bristol, Missouri, Nebraska* “any entity” cases
- State/ regional entities – e.g., MEAG, NOANet
- Fiber: Kutztown, PA; Bristol, VA; Dalton, GA; WA PUDs; Reedsburg, WI; Jackson, TN; Sallisaw, OK; Quincy, FL; Provo, UTOPIA, UT (3)
- Wireless: Owensboro, KY; Scottsburg, IN; Carthage, MO; Lompoc, CA, etc.
- BPL: Manassas, VA

# Community Broadband Services APPA Members

Total Community Broadband – 621

- fiber leasing – 167
- Internet service provider – 128
- cable television – 102
- cable modem, DSL service – 81
- long distance telephone – 42
- broadband resale – 130
- local telephone – 52

Source: APPA

# Results

- Criteria – What is “success”?
  - Public v. private financial accounting
  - Other community benefits – e.g., economic development, educational opportunity, public safety, homeland security, cost savings, quality of life
- Some very good – Cedar Falls, Tacoma, Dalton
- Most on target
- Some have struggled

# Challenges Ahead

- State or federal barriers to entry
- Growing competitiveness of incumbents
  - What's are our real long-term contributions?
- Wireline v. wireless
- Special big city challenges – watch Seattle
- Access to content – must carry/retransmission consent, exclusive contracts, etc.
- Anticompetitive actions – predatory pricing, rate discrimination, access to MDUs, etc.



Thanks for the  
opportunity to  
serve you!

Baller the Barbarian