
FIBER TO THE HOME COUNCIL JOINS LUS FIGHT IN SUPREME COURT National Advocacy Group Says Lafayette a Fiber “Bellwether”

LAFAYETTE, La. (Nov. 2, 2006) – The Fiber-to-the-Home Council, a national organization dedicated to educating, promoting, and accelerating FTTH and its resulting quality-of-life enhancements, has joined the City of Lafayette and Lafayette Utilities Systems’ case pending in the Louisiana Supreme Court. The FTTH Council filed an *amicus curiae* brief in support of LUS’s fiber-to-the-home plan.

“The Council has stepped forward to assist the City of Lafayette to reach its goal of creating the best communications infrastructure for its residents,” explained Joe Savage, president of the FTTH Council. “Lafayette has become a battleground, and we want to see the City succeed. Lafayette is becoming a statewide, if not a nationwide, bellwether for municipal fiber-to-the-home movements.”

The brief, filed with the state’s highest court on Nov. 1, 2006, emphasizes the urgency surrounding the need for broadband deployment and the community benefits that result from investing in FTTH networks. The seven justices will hear oral arguments in the case on Nov. 28 at 9:30 a.m.

“The FTTH Council recognizes that our efforts to bring 21st century technology to Lafayette will deliver citizens a real choice and competition in telephone, cable and internet to their homes. But it also makes the city more attractive to companies looking for new places to locate headquarters or major offices,” said Joey Durel, Lafayette city-parish president. “We believe that our bond issuance plan complies with Louisiana law, and it is our hope that the justices will agree.”

Also supporting the City of Lafayette in its pending case before the Louisiana Supreme Court is the Louisiana Municipal Association, which also filed a brief as an *amicus curiae* on Nov. 1. The Louisiana Municipal Association is a not-for-profit, non-partisan and non-political organization comprised of approximately 300 municipalities throughout the state. Established in 1926, it serves the interest of the state’s villages, towns and cities. The Brief of the LMA calls the Court’s attention to the potential adverse consequences to municipal financing in general which might result from the 3rd Circuit’s decision.

On July 16, 2005, Lafayette voters gave the City of Lafayette permission to issue up to \$125 million in bonds to extend fiber to every home and business in the city, offering Internet, telephone and TV service. The measure was approved by a vote of 62 percent to 38 percent.

At issue is a law passed by the Louisiana State Legislature in 2004 called the Local Government Fair Competition Act. The Act was intended to strike a balance between municipal entry and protection of the private sector. In May of this year, a trial court dismissed the suit in which Lafayette resident Elizabeth Naquin claimed that LUS's funding ordinance violated the Act. On appeal, a three-judge panel of the 3rd Circuit Court of Appeal disagreed with the trial court. Now the seven-member Louisiana Supreme Court will resolve the controversy. A ruling in favor of Lafayette's plan would affect every Louisiana municipality.

Fiber optics' supporters recognize the benefits of the LUS Fiber-to-the-Home project beyond just 58,000 homes in Lafayette. The fiber to the premise that is the foundation of the LUS project means vastly increased bandwidth to area schools, allowing students to benefit from a world of education now beyond their reach. Direct fiber connectivity will also give local businesses an opportunity to compete on a global scale that would be unobtainable without this technology. This will also create new jobs and create new business relocation to the area.

The LUS Fiber-to-the-Home project is also important to spanning the digital divide that will enable residents who before now could not afford high-speed Internet, phone and television to receive it in their homes. The proposed cost of the three bundled services through the LUS plan would be roughly 20-percent less than the competition charges right now. The city was also planning a major initiative to make computers and training available to individuals for whom broadband has not been a meaningful option.

About the Fiber-to-the-Home Council

The Fiber-to-the-Home Council is a non-profit organization established to help its members with planning, marketing, implementing and managing FTTH solutions. Council membership includes municipalities, utilities, developers, and traditional and non-traditional service providers, creating a cohesive group to share knowledge and build industry consensus on key issues surrounding fiber to the home. Communities and organizations interested in exploring FTTH options may find information on the FTTH Council web site at www.ftthcouncil.org.

About Lafayette Utilities System

The mission of the Lafayette Utilities System (www.lus.org) is to provide high-quality, competitively-priced services that exceed customers' expectations, and contribute to the Lafayette Consolidated Government to support other community needs. LUS employs more than 450 people and offers its customers quality electric, water, wastewater and wholesale telecommunications services. As a customer-owned and operated utility, LUS customers, through their local elected officials, have the power to set rates and control the standard of service.

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