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Witness Organization: PocketiNet Communications, Inc.

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Testimony body:

Background: Good afternoon Chairman Doyle, Chairman Pallone, Honorable McMorris Rodgers, Honorable Latta, and committee members. My name is Todd Brandenburg and I am the President of PocketiNet Communications, Inc. in S.E. Washington State. PocketiNet is a regional Internet Service Provider that has provided broadband Internet services to the region for over 21 years and we're glad to serve our customers with honor and respect that they deserve through local caring customer support.

Today, I'd like to discuss a few topics on the issues of delivering broadband services especially in times like today where broadband is a needed necessity for work at home and school at home services. Last year when the pandemic hit, we made a business decision not to turn down or turn off any services for lack of payment. We did this throughout the year as a commitment to our communities that we serve. A lot of our service providers took the same pledge and made a difference in the lives of their customers as well. Our backbone capacity swelled but held due to the increase of traffic even though we charged the same to each customer. We also saw this as an opportunity to increase our network to provide more services and more bandwidth. In 2020, PocketiNet also participated in the FCC CBRS spectrum auction to add more fixed wireless capacity to the network. Since we have to install new towers to provide additional capacity it has been our experience that local and state permitting authorities do not have any sense of urgency to process applications in a timely manner. In one tower application with the local county development services agency, it took PocketiNet almost a year to have a construction permit in hand. This amount of time for due processing along with other permitting is simple not acceptable when we have customers that need these services for their job or school. It's one of our biggest challenges that we face is timely permitting for towers as well as right of way applications for fiber optics and pole permitting. We seek to have a single point of contact and a shot clock to timely review and prioritization of broadband infrastructure applications. From an industry perspective as high bandwidth broadband is developed, we will need an increase in the number of facilities that are closer to the customers to be served. This means more towers and/or poles in the distribution network and right of way authority for fiber to be extended to towers as well as direct to the premise for fiber to the home where applicable. PocketiNet serves both fixed wireless and fiber to the premise technologies and quite simply, we can't build it fast enough. However, we also face tremendous challenges in the supply chain of required electronics and fiber optic cable and an overall labor shortage that also compounds the issue. Americans consider the Internet no longer a luxury but a requirement to rural health, banking, schooling, work, as well as entertainment choices. We, as providers need to expedite this development and we urge you to consider policy that helps to promote broadband priorities.

Last fall PocketiNet participated in the FCC RDOF reverse auction that required a huge investment in analysis and time to bid on census blocks in our region. We, as a company felt that we must participate or potentially lose our customers in the region, so we decided to make the investment and move forward. Before the auction began, we applied to the FCC to accept certain types of fixed wireless technology for the Gigabit, 100M service tier. We we're told by the FCC representative that manufacturer claims we're not sufficient to qualify fixed wireless for Gigabit operations but did authorize 100M services. It wasn't until after the auction that we found

out that other service providers we're authorized for fixed wireless transmissions at the Gigabit tier. As a result, we lost the reverse auction in all census blocks to Starlink and other competitors. At the time of the auction we had over 20 years of operation expertise with wireless technologies but still we're not able to qualify and it appears that the standard wasn't universally applied across the board. The auction also qualified Starlink as a non-terrestrial technology that was still in active beta across the U.S. When the federal government grants funds to aid in the technology of closing the digital divide through investments in infrastructure then it should require those assets to be on U.S. soil such as fiber and fixed wireless networks in my opinion. The FCC also rushed to enable the auction with faulty service territory maps resulting in awards of areas that we're definitely not unserved or areas that claimed to be served when in actuality we're not due to false claims of services by service providers. Also, if you applied in the auction to have a fiber to the home technology solution very little or no diligence was applied by the FCC to the regional operational capabilities of the applicant. Therefore, creating large national awards for companies that didn't have the expertise or logistics to produce Gigabit speeds. Clearly, we need to do better in future auctions to administer grand funds to enable broadband based on terrestrial technology builds and a fair process.

Yet another area I'd like to discuss with committee is on state and federal programs for broadband expansion to municipals, ports, and counties. I have witnessed firsthand through a state loan/grant broadband program without consideration to the rural size of the market to maintain competent Internet services ongoing through an open access wholesale dark fiber model and the challenges it presents. This concept is problematic in that small rural markets are unable due to the size of the subscriber market are not able to support 3-4 ISP's. In the State of WA, there is signed legislation that gives local governments the ability to retail services direct to the consumer. What happens is that the ISP will come in and cherry pick the customers that they want to serve, leaving the rest of the market unserved. At this point most of local governments have verbally said they do not intend to provide retail services but all that can change with an administrative change in policy to compete directly with private sector telecommunication companies. The latest applications I have seen awarded in WA State now are grant awards but still require the ISP to pay a monthly service fee of $20/fiber/customer/month to the municipal entity. When asked about where these funds would go to I get the answer that they will be reinvested in future expansion plans. I have to ask myself if we participate in this model and a change in policy helps to create a network that may directly compete with me in the future is this something I should even be involved with? I contend that there are ISP's that are willing to make an investment in rural areas especially if these grant funds are allocated directly to service providers that are in the business of providing high quality customer care. I have also not seen successful business models of municipal networks that have actually worked in reality. I would advise this committee to carefully consider enabling local governments with grant funds to compete directly with private sectors companies such as PocketiNet.

In the past in the Obama administration, the Federal government established a BTOP program that enhanced broadband in several areas in the US. In WA State, Noanet was selected as it formed letters of support from many cities, libraries, ports, and counties for an extension of broadband from NTIA for $139M plus $45M from local resources. This brought anchor institutions like schools, libraries, clinics, hospitals and local governments paid fiber extensions to their facilities (however they still had to pay the monthly service fees). Noanet extended their long-haul network with a build of over 1600 route miles of fiber. PocketiNet has long been a customer of Noanet for over 20 years. A few years ago when we asked Noanet for dark fiber between cities we we're told that they didn't have enough excess fiber to fulfill our request and only offered "lit" ethernet services across the network. It turns out that they built this long-haul network with very low count 48 fiber between cities where the majority of the high cost of drilling/trenching was labor.

My last subject is on DDOS and Ransomware attacks that are plaguing our Americans and their company's. With the recent wave in the last two weeks of purposeful attacks on VOIP providers and in one confirmed case demanding bitcoin for reprieve of the DDOS attacks this country needs to action to prevent the next waves of

criminal cyber crimes for hostage. The Internet was designed to be open and free and what we have today is bad actors that are holding companies' hostage for ransoms and deliberately causing harm that can lead to bankruptcy. As it exists today, since most of these attacks are coming from over-seas there is no protection from our government to eliminate these attacks. Furthermore, in the case of VOIP providers that hold the incoming phone number there is no way to port out these numbers to other providers because we don't have a solution to do so quickly as it takes days to complete a phone number port if you are a business. As a consumer you can port your number within minutes from one carrier to the next. But not so for the non-cellular industry. In our case we had customers on VOIP.ms that we're down and we had no real solution until the provider found a way to bring up new servers and combat the DDOS attack. I believe if we don't take these attacks seriously than other commercial services will become victim of attacks for ransom. Again, I believe the Internet should remain mostly an open network but we as a country need to take these attacks seriously as they are a scourge on our economy and citizens.

Thank you for the opportunity to discuss these important topics.

Todd Brandenburg

President

PocketiNet Communications, Inc.