

October 31, 2017

U.S. House of Representatives Committee on Energy and Commerce Subcommittee on Communications and Technology 2125 Rayburn House Office Building Washington, D.C. 20515

Dear Chairman Blackburn, Ranking Member Doyle, and Members of the Subcommittee:

Verizon appreciates the opportunity to provide the Subcommittee with its perspective on "Oversight of FirstNet: States Perspective."

Verizon has a long-standing commitment to support and serve the public safety community. Each and every day, we provide first responders with high quality voice and data services to meet their communications needs. More than two thirds of police, fire, and emergency medical service personnel across the nation – in communities both large and small – rely on Verizon's advanced networks, product enhancements, and service commitment to help them protect and serve the public. And, in times of disaster, Verizon is there to provide public safety agencies with the assistance they need in their efforts to prepare for and respond to whatever emergencies occur.

It is no accident that Verizon is the preferred network provider to public safety agencies across the country. It is because we make the investments necessary to ensure that our networks are reliable and resilient and meet the "public safety grade" standard that is so important to first responders. Put simply, first responders have the confidence that Verizon will be there when it matters, and for public safety, reliable and effective communications always matter.

Given Verizon's strong commitment to public safety, we are pleased to file this written testimony for the record to assist the Subcommittee in its efforts to evaluate the current progress of FirstNet. Verizon has long recognized the unique and critical nature of public safety communications, and it has been a strong supporter of efforts to provide first responders with the most effective communications possible.

In passing *The Middle Class Tax Relief and Job Creation Act of 2012*, Congress provided FirstNet with the framework, spectrum, and funding to ensure that public safety's need for reliable and resilient communications was effectively addressed. As FirstNet began to implement Congress' mandate, Verizon offered its expertise and guidance on what we believed would be most effective. We believed that a state-centric

approach was much more likely to meet public safety's unique requirements than a one-size-fits-all approach. We recommended a framework that would promote state- or regional-based partnerships with a requirement that the resulting state or regional networks be required to interoperate in order to create a nationwide network for public safety's use.

Verizon made these recommendations because it recognized that the communications needs of the public safety community and the assets and capabilities of prospective commercial partners often vary from one state or region to another. Recognizing these differences, state officials should have the flexibility and authority to establish those partnerships that best meet their own requirements. Verizon believed then, as it does now, that a flexible, pro-competitive approach for establishing a nationwide interoperable public safety broadband network is in the best interests of public safety.

Ultimately, FirstNet awarded a contract to a single network operator. Moreover, instead of a network dedicated to public safety, it decided to support a commercial solution that relies heavily on monetizing the value of the 700 MHz spectrum licensed to FirstNet. For all intents and purposes, the FirstNet RFP was established as a spectrum deal, with the winning bidder required to commercialize the 700 MHz spectrum in order to fund the construction of a network. While Verizon understands the reasoning behind this decision, we chose not to respond to the FirstNet RFP. We have never had an interest in FirstNet's spectrum and could not justify the investment required to build-out spectrum we had no intention of using commercially.

While Verizon understands FirstNet's decision to select a single network partner, we also recognize that FirstNet has a statutory mandate to ensure that states have a meaningful opportunity to make their own communications decisions including the ability to construct their own networks should they not wish to use the network built and operated by FirstNet and its commercial partner. These "opt-out" provisions allow states to use the spectrum and federal funding provided to FirstNet by Congress to support the deployment and operation of state-based networks should they choose to opt-out of the FirstNet network.

Verizon remains committed to serving the public safety community, and we intend to continue to do that across the country, regardless of whether particular states choose to opt in or opt out of FirstNet. It is critically important, however, that states have viable competitive alternatives in either case. Promoting competition and preserving the rights of states to make their own communications decisions, including building their own state-based networks, are two important tenets of the legislation enacted by Congress. While the law does not require states to participate in the FirstNet network, the opt-out provisions guarantee that states have a meaningful opportunity to participate in the establishment of the network while taking on the responsibilities for deployment within their states.

In order for such an option to be meaningful, however, it must allow states to pick their own commercial partner, or partners, and to establish their own public-private partnership in a manner comparable to FirstNet. It must also allow states and their commercial partners to develop network architectures and service arrangements that are viable and sustainable over the long term.

Critical to the viability of such an option is the ability for a state to use its own core network, or one deployed by its preferred commercial partner. States should not be required to use the core network deployed by FirstNet and its commercial partner, as such a requirement would have several negative implications. First, since the core network defines the service arrangement with the customer, being forced to use AT&T's core network would effectively require that the state use AT&T to serve its public safety users and prohibit them from using their preferred public safety service provider. A requirement to use AT&T's core network would also put the state in the untenable position of being driven by the interests and decisions of FirstNet's commercial partner. For example, any changes to the core network made by AT&T would trigger corresponding changes to the radio access networks deployed by the state's network partner. Any change that the state's partner would wish to make to the state's network would have to first be authorized by AT&T. These conditions are unlikely to be supported by any prospective state commercial partner.

Ensuring interoperability between a state network and the FirstNet network is, of course, an important requirement for any state that opts out. Indeed, the law requires that states opting out of FirstNet demonstrate how they will achieve interoperability in their alternate state plans, which must be submitted to the FCC for approval. The FCC recently released the standards it will use to determine whether or not an alternate state plan is interoperable with FirstNet. The FCC's decision considered input from many parties, including state officials, Verizon, and others that sought clarification on the ability for States to utilize their own state network core. The FCC stated it would not reject a plan that includes the use of a separate state core network, but it declined to find that such a core network was expressly permitted because it believes that decision is outside the scope of its authority. Verizon believes it is important for Congress or NTIA to make clear that the law permits a state wishing to opt-out to have its own core network, as such a finding is imperative to a state having a viable means to opt-out.

Even if no state decides to opt-out of FirstNet, it is important that public safety agencies across the country have competitive options and that other public safety networks used by those agencies are interoperable with FirstNet. Enabling competitive alternatives for public safety is vitally important to ensuring continued innovation, increased reliability, and competitive pricing. A public safety market that provides agencies with only one choice of network provider is unlikely to achieve those objectives.

Verizon's commitment to public safety is not predicated on whether or not a state chooses to opt-in or opt-out of FirstNet, and we are prepared to work with every state regardless of its opt-out decision. In order to best satisfy public safety's unique

requirements, Verizon announced earlier this year its intention to make substantial investments in new network capabilities and enhanced products and services for public safety. This commitment includes building and operating our own private core network dedicated to public safety communications, making priority and preemption services available to our public safety customers, and investing in new applications and capabilities including mission-critical voice communications that will interoperate with existing Land Mobile Radio networks. Put simply, Verizon intends to provide the same advanced features and capabilities that AT&T has promised to provide to FirstNet.

Recognizing that all public safety users have the choice to purchase services from the provider that best satisfies their requirements regardless of the State's opt-out decision, Verizon's public safety solution will be available to all states and all public safety users throughout the country. Moreover, it does not require access to federal funding provided to FirstNet, and does not require state funding to support network deployment. Along with a variety of enhanced products and services designed to meet public safety's unique needs, Verizon will also make available multi-band devices that provide access not only to Verizon's own reliable broadband network, but to Band 14 spectrum and enable full interoperability with any Band 14 radio access network (RAN) deployed by FirstNet or a State that decides to opt-out.

Verizon believes that FirstNet has yielded significant benefits for public safety by focusing attention on the importance of mission critical communications for first responders and establishing a framework that leverages commercial investments and innovation. However, that goal cannot be fully realized unless the FirstNet framework is implemented in a way that preserves the robust competition that exists today for wireless public safety consumers and that will yield significant benefits for public safety. Competition and interoperability are not mutually exclusive. Indeed, in the context of FirstNet, they are both vital. Both can be achieved, and both must be achieved if Congress' vision of effective, reliable, and interoperability communications is realized. Verizon is committed to work with Congress, NTIA, FirstNet, and the public safety community to make that happen.

Thank you again for the opportunity to provide the Subcommittee with Verizon's perspective on the efforts of FirstNet to meet the critical communications needs of public safety agencies around the country.

Respectfully,

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