

STATEMENT OF CHRIS SAMBAR

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Thank you, Chairman Blackburn, Ranking Member Doyle, and Members of the Committee.

I am Chris Sambar, AT&T Senior Vice President – FirstNet. AT&T is a company with a 140-year heritage of innovation that includes 8 Nobel Prizes and more than 15,000 patents and pending patents worldwide. We employ more than 200,000 people in the United States, and over the past five years, we’ve invested more in the U.S. than any other public company — nearly \$135 billion.

I appreciate the opportunity to update the Committee on the progress FirstNet and AT&T are making to provide a nationwide broadband network for public safety. I head a group at AT&T dedicated to building and operating that network for decades to come. And I can assure you that AT&T is fully committed to delivering a dedicated, interoperable network that will give first responders the technology they need to communicate and collaborate across agencies and jurisdictions during emergencies. This opportunity aligns with our centuries-old history of serving the U.S. federal government and the public safety community. I am also pleased to report that AT&T is on track to deliver on its commitments and has, in fact, met the first set of

milestones identified in the FirstNet contract. We have also launched the FirstNet application ecosystem, including an app store for America's first responders, as well as the first app developer program geared toward our first responders. And now, with half of the states and two territories having "opted in" to FirstNet, AT&T is beginning to deliver on the promise of FirstNet to first responders in those states.

Supporting public safety is part of our company's DNA. As a retired Naval officer and Navy SEAL, public service has been a calling throughout my adult life. I view FirstNet as a special opportunity to do it again for a company that shares a commitment to public service and public safety.

FirstNet Background and Purpose

First responders frequently lack the ability to communicate with each other during emergencies. In fact, first responders rely on over 10,000 radio networks for voice communications to do their job and they use the same commercial wireless networks that we all do. Those networks can quickly become congested during a significant emergency. We have unfortunately witnessed how these issues hamper first responders, such as in responding to the 9/11 attacks and in other emergencies since. The recent devastating hurricanes and wild fires remind us how important communication is during such events.

In response, Congress recognized that we can and should do better to support our first responders and their critical mission – to save lives. And in 2012 Congress passed legislation that created the First Responder Network Authority (FirstNet) as an independent authority within NTIA to

provide emergency responders with the first, nationwide, high-speed, broadband network dedicated to public safety. Congress established FirstNet to deliver a robust, highly secure, and efficient communications network that will help responses to emergencies as they unfold. And that is exactly what FirstNet and AT&T intend to deliver.

AT&T's Commitment to FirstNet

As I said, AT&T is honored to have been chosen to build and manage the FirstNet network, and we are committed to bringing to bear all the necessary resources to ensure its success, just as Congress envisioned. What will that mean?

First, as part of its commitment, AT&T will spend about \$40 billion over the life of the FirstNet contract to build, operate and maintain the network. AT&T will connect FirstNet to its world-class telecommunications network valued at over \$180 billion, with a wireless network reaching 99.6% of the U.S. population.

Second, I am also proud that AT&T will support FirstNet with its world-class Network Disaster Recovery (NDR) Team. This team, which we established over 25 years ago, has a single mission: to recover AT&T voice and data service in areas affected by a disaster. The NDR solution combines network infrastructure and support trailers, recovery engineering software applications and a response team with both full-time and volunteer members from AT&T. Team members have spent more than 130,000 working hours on field exercises and deployments over the last two decades.

The NDR team demonstrated its worth after the devastating hurricanes that recently hit Texas, Florida, Puerto Rico and the U.S. Virgin Islands. We helped and are continuing to help restore communications in these areas by deploying an array of equipment, including portable cell sites, cells on light trucks (called COLTs), generators, charging stations in evacuee centers, and emergency communication vehicles. We used ships and chartered cargo flights to deliver this equipment and our NDR personnel to Puerto Rico. In addition, in response to the fires in Northern California, we were able to move mobile restoration assets quickly into place in areas where the fire destroyed either towers or the fiber backhaul network necessary for connectivity, and we worked hard to keep California first responders and our customers connected.

These vast capabilities and our dedicated network team (the most important asset of all) will all be available to support communities and first responders affected by emergencies. And we will increase our fleet with 72 new deployables exclusively to support FirstNet in states that opt in.

Third, as I noted above, we have put together an internal group, which I lead, dedicated solely to FirstNet. This group is growing and will reach several hundred employees by year's end. As we ramp up our buildout of the FirstNet network, we are hiring people across the country who have a passion for public safety and for first responders.

With these resources, AT&T is creating a nationwide IP-based high-speed mobile network that provides First Responders priority. "Priority" means just that -- in times of emergencies and network congestion, our network will give first responder communications precedence and, for "primary users," preempt all other communications. And, if an area is hit with an emergency (e.g., hurricane, wild fire), a local

commander can temporarily provide priority or preemptive access to individuals for a limited duration during a specific incident in a particular geographic area. For example, in a hurricane, the commander could designate evacuation vehicles as having priority prior to the storm hitting as people leave the area, then shifting priority to medical personnel and utility workers after the storm passes through.

In sum, the FirstNet network will meet the needs of public safety like never before, providing:

- A unique, differentiated, and highly secure network, encrypted at its core.
- Dedicated IP core with capabilities of priority and, for primary users, pre-emption.
- Interoperability across public safety agencies and jurisdictions.
- Customized customer service with dedicated 24/7/365 AT&T security and helpdesk operations support centers.
- A highly secure app ecosystem.
- Network Disaster Recovery resources.
- Highly competitive, flexible pricing.

Together, these capabilities will better connect first responders to the critical information they need in an emergency, keeping them out of harm's way.

In addition, FirstNet and AT&T will innovate and evolve the network to benefit public safety. In many cases, and often due to budgetary constraints, the public safety community has not been able to keep up with advances in communications technology. But these advances can make a real difference in crisis situations. For example, providing emergency personnel timely

information on traffic conditions to help determine the best route to an emergency can help save critical minutes for first responders to get to an emergency. Other enhanced capabilities, such as wearable sensors and cameras for police and firefighters, can deliver near real-time images of events, such as fires, floods or crimes. Imagine camera equipped drones and robots delivering these images. In fact, we utilized drones to inspect cell towers in flooded and unreachable areas affected by Hurricane Harvey. AT&T is at the forefront of IoT advances and a leader in Smart Cities technology that can monitor a city's critical infrastructure, traffic and even listen for gun shots. Solutions like these could one day enhance the capabilities AT&T can bring to first responders.

And we are already taking steps to bring 21st Century innovation to first responders. Last month, we launched the first app store and developer program dedicated to America's first responders. This program will encourage the developer community to design applications with solutions built for the unique needs of first responders. The developer program will feed the FirstNet app store, providing public safety a one-stop-shop for reliable, highly secure solutions optimized for the FirstNet network.

FirstNet will also create jobs and drive investments across states and territories. This significant public-private infrastructure investment, and the buildout supporting it, is expected to create 10,000 U.S. jobs over the next two years. These new jobs will include positions in technology development, network deployment and operations.

AT&T could not be more excited about delivering on the promises of the FirstNet network, to the benefit of first responders and the communities they serve.

Benefits to States Opting In

Since FirstNet announced (on March 30th) that it had selected AT&T, we have been working closely with states and territories to provide them all the information they need to make an informed decision to opt in to the FirstNet network. As part of this public/private partnership, FirstNet and AT&T have had countless meetings with state decision makers and public safety stakeholders to answer any questions they might have. In fact, even before AT&T was selected, the FirstNet team spent more than 3 years meeting with public safety experts in the states to solicit their feedback on what they wanted in this network. That is why FirstNet is a solution designed by public safety exclusively for public safety. FirstNet and AT&T are committed to continual engagement and consultation with the states and territories to help explain what FirstNet means to their stakeholders and to help ensure that it delivers what the public safety community in each state and territory needs.

On June 19th, three months ahead of schedule, FirstNet and AT&T began providing states and territories individual state plans. We released the plans ahead of schedule not only to give states the ability to opt in early (and receive the benefits of FirstNet as soon as possible), but also to provide them extra time to exchange feedback with FirstNet before the official 90-day clock started on September 29th. States and territories that have not already opted in now have until December 28th to accept the FirstNet/AT&T plan, or assume the responsibility for deploying,

and, for the next twenty-five years, operating and maintaining its own network that must be interoperable with the FirstNet network.¹

As of October 31st, half of the states and two territories have opted in to FirstNet. Many cited low-risk, expanded coverage, increased network capacity, and/or immediate access to mission-critical capabilities as key reasons for their early opt-in decision. In fact, three of these states (Michigan, Arizona and Alabama) decided to opt in **after** evaluating proposals from competing vendors. Even with that additional information and due diligence, states still opt in, confirming that the FirstNet AT&T State Plans deliver the best network and services public safety needs and deserves.

There are significant and immediate benefits for states that opt in to the FirstNet network.

- Opting in eliminates long-term risks associated with funding, building and, for the next twenty five years, maintaining a network that interoperates with the FirstNet network.
- Once a state or territory opts in, public safety entities in that state or territory can purchase, at competitive rates, services with key network features, such as quality of service and priority access to voice and data across AT&T's LTE network. First responders in the opt-in states and territories are already receiving service. To be clear, as I explained above, local commanders in opt-in states will have local control. They can

¹ It is our understanding that FirstNet is still working with the Pacific Territories and did not provide official notice to the Governors of these territories on September 29th. In addition, it is also our understanding that FirstNet has not confirmed official receipt of the state plan from the Governor of Puerto Rico, although the Governor has previously supported the deployment of FirstNet in Puerto Rico.

utilize priority access in times of emergency and grant such access to others (e.g., evacuation trucks and then medical personnel) as an emergency unfolds.

- Preemption over the AT&T LTE network for primary users is expected by year's end.

This means fire, police and EMS with FirstNet service will have dedicated access to the network when they need it.

- As states and territories join, investment in infrastructure and job creation will follow.

AT&T's Commitment to Diversity

Finally, I would also like to take this opportunity to stress AT&T's commitment to meeting or exceeding all requirements to subcontract work to veterans, minority-owned, and woman-owned businesses. AT&T has a long history of supporting diverse businesses and communities. AT&T is among the leading companies in identifying and doing business with diverse suppliers. Last year, we spent \$14.2 billion with diverse suppliers, representing nearly 19% of our total supplier expenditures. It is not surprising that AT&T has been ranked No. 1 for three consecutive years in DiversityInc.'s "Supplier Diversity Survey." We employ more than 11,000 veterans. In 2013, AT&T announced it would hire 10,000 veterans within the next 5 years, which was met at the end of 2015, well ahead of schedule. AT&T is doubling that commitment and pledged to hire an additional 10,000 veterans by 2020. In 2016, AT&T's U.S. workforce was 32% women and 43% people of color. In 2016, nearly 31.5% of our new hires were women, and 56% people of color. We recognize that this diversity benefits our company, our customers, and our employees.

Conclusion

Congress designed FirstNet to be a solution for public safety that provides much more than the ability to make and receive phone calls. Congress intended for FirstNet to provide the public safety community what it demanded for years: a single “nationwide public safety interoperable broadband network.” Only such a network can bring the security, priority and preemption, and seamless interoperability that Congress envisioned. And only AT&T and FirstNet are prepared to deliver on Congress’s vision.

I look forward to continuing this important dialogue as FirstNet moves forward. I welcome your questions.

Thank you again Chairman Blackburn for this opportunity.