

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of)	
)	WC Docket No. 17-108
)	
Restoring Internet Freedom)	July 17, 2017
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COMMENTS OF THE INSTITUTE FOR LOCAL SELF-RELIANCE

I. Introduction

The Institute for Local Self-Reliance (ILSR) mission is to provide innovative strategies, working models and timely information to support environmentally sound and equitable community development. To this end, ILSR works with citizens, activists, policymakers and entrepreneurs to design systems, policies and enterprises that meet local or regional needs; to maximize human, material, natural and financial resources; and to ensure that the benefits of these systems and resources accrue to all local citizens.

II. Summary

ILSR strongly opposes any changes in existing FCC rules that would jeopardize the open and neutral quality of the Internet. ILSR supports the existing Title II classification for Internet access and opposes changes described superficially as “light touch” regulation.

III. Meaningful Access to the Internet Is About Moving Data

When Internet access was less infused into our daily lives and many of today’s innovations had not yet been discovered, Internet Service Providers (ISPs) offered and advertised bundles of services that included extras such as email accounts, Domain Name System lookups, and other services that lumped together could have been considered an information system. But ILSR and those that work for the organization use the Internet primarily to transmit information.

When we purchase an Internet connection, we are seeking a service that simply allows us to access the Internet servers we choose – both to upload and download information, represented as bits at the most basic level. We are not interested in any ancillary services from our provider – whether email addresses or most basic functions such as domain name lookups.

ILSR is a national expert on local government policy related to Internet access, with a particular focus on municipal broadband networks. The range of models¹ and services that municipalities have adopted to for their publicly owned Internet networks reflect the true nature of the Internet. While some have chosen to offer retail services as ISPs, others are offering lit services - often to multiple providers in an open access arrangement.² Still others work directly with local businesses only to transport data.³ Regardless of the services they choose to offer, each is based on a foundation of transferring bits of data from one location to another quickly, affordably, and reliably. They are moving bits, not offering an information service.

Even the large ISPs recognize that residential, business, and institutional subscribers now look for high-quality transfer of bits rather than the extra services that have sometimes been used to claim that Internet access is an information service. Those companies now attempt to attract new subscribers on their ability to move data quickly. Their advertising focuses on offering the fastest speeds at prices they believe potential subscribers consider the most affordable. They commonly describe their services based on how rapidly one could download an HD movie, for instance. It is hard to find advertising for their services that is not focused simply on the capacity of the product to rapidly move content from point A to point B.

IV. ILSR Depends on Network Neutrality to Complete Its Mission

As a research organization, ILSR and its staff rely heavily on the Internet. When our connection fails for even a few minutes, we find ourselves disrupted and unable to work. The basis of our work is and has shifted over the years from books and magazines to an environment heavily dependent on the ability to transfer data from one place to another via the Internet. We rely on the neutrality of the Internet in order to receive information and to share the data we curate and the accompanying analysis.

Our staff of researchers does more than use information from news, academic, and institutional resources accessed online. We also communicate with people all over the world - through voice and teleconferencing applications, that often are in competition with services offered by Comcast, the firm that ILSR's Minneapolis uses to access the Internet. We had used the voice services offered by Comcast several years ago but found that it was unreliable and harmed our ability to work. At that point, we switched to a service that operates on top of the connection provided by Comcast and Comcast is not permitted to degrade that service because of rules using the authority of Title II.

Our work includes data from a variety of sources, including governments, nonprofits, and grassroots organizations. Often these groups operate on a shoestring budget that leaves no room for extra fees to ISPs if they were to offer "fast lanes."

¹ <https://muninetworks.org/sites/www.muninetworks.org/files/2017-07-Muni-Fiber-Models-Fact-Sheet-FINAL.pdf>

² <https://muninetworks.org/content/open-access>

³ <https://muninetworks.org/content/finance-leader-turns-rvba>

Accessing data and information gathered by organizations that are not able to fund paid prioritization will become challenging to us. Most certainly, gathering necessary data will slow down, causing our work to suffer.

Likewise, it will be difficult for others to access our work. We find this especially daunting with regards to our Community Broadband Networks initiative. The initiative is often perceived as critical of many large corporate incumbent cable and DSL providers. If current rules are reversed, a large corporate ISP may also demand a fee from ILSR that we simply cannot afford. We produce videos, audio podcasts, written reports, and other content that could be held hostage by firms that find our speech to be inconvenient for their profit maximization if they were not required to be a neutral messenger.

V. Paid Prioritization Will Not Fuel Expansion

As the leading national authority on publicly owned networks, including municipal networks and the growing number of rural cooperatives offering Internet service, ILSR has determined that the proposal to modify rules protecting the open Internet would decrease investment in networks from the largest providers. Creating “fast lanes” for certain content to create an additional revenue source is not necessary to provide fast, affordable, reliable connectivity to residents, businesses, and institutions. Large firms would be better able to increase profits by adding new tollbooths to existing customers rather than having to increase profits by seeking new customers and innovating.

We have created and publicized more research on municipal and cooperative broadband networks than any other entity.⁴ In order to compare local solutions to the large ISPs, we had to closely monitor their services, customer satisfaction, and future plans for investment. We have found it notable that the fastest, most innovative networks have been built by firms that run a neutral network and have no wish to engage in prioritization or other schemes to discriminate.

Places like Chattanooga, Tennessee; Wilson, North Carolina; and Longmont, Colorado, offer affordable gigabit connectivity to residents, businesses, and institutions. There are many more; ILSR has described approximately 50 communities that offer Fiber-to-the-Home (FTTH) citywide.⁵ Additionally, firms like Google, Ting, GWI, and Sonic have reported no difficulties from current regulations around the open Internet. These firms have far higher customer satisfaction ratings on sites like Yelp and from Consumer Reports.⁶

ILSR sees no reason to believe that additional revenues obtained from discriminatory pricing would be reinvested in the infrastructure currently owned by large

⁴ <https://muninetworks.org/communitymap> - The majority of communities have links to tags of our stories and reports about their approach.

⁵ <https://muninetworks.org/content/municipal-ftth-networks>

⁶ For example: http://www.consumerreports.org/media-room/press-releases/2017/06/consumer_reports_dissatisfaction_with_cable_tv_remains_high_as_cord-cutters_gain_intriguing_new_options/

corporate firms. With little or no competition in areas they now serve – especially rural areas - there is little incentive for these same companies that own the infrastructure to upgrade. If anything, offering firms a way to boost profits without having to invest in costly expansions will dampen the likelihood of such expansion.

V. Choice is Limited

Even though all three of ILSR's offices are located in urban areas - Minneapolis, Minnesota; Washington, D.C.; and Portland, Maine - our choice of providers that offer broadband as defined by the FCC (25 Mbps/3 Mbps) is limited in each location. The Minneapolis office only recently obtained access to a second option, while Washington, D.C., and Portland only have one provider each that can provide the capacity necessary to support our work at a reasonable cost.

The situation in Minneapolis has improved in recent years in part due to the presence of a small, local provider who has invested in fiber optic connectivity – US Internet. Even though the company's footprint has not yet reached the ILSR office, its presence in the Twin Cities area has spurred investment from the incumbents. US Internet has dramatically increased its pace of investment in the past year. Our Minneapolis office is now considering a switch to another provider that added a fiber optic Internet service, but the wait time to connect that service is three months.

ILSR greatly fears that weakening the rules to protect Internet access subscribers would harm our ability to do our job. We depend on FCC protections to ensure our Internet service meets our needs. We have neither the market power to negotiate with firms like Comcast and Charter, nor the capacity to seek alternatives if the rules protecting the open Internet are loosened.

VI. The Role of the FCC

Communications networks and Internet access is too important and specialized to be left to those without the requisite expertise. The FCC is the appropriate agency to best oversee and enforce the rules that guide the relationship between ISPs and their subscribers.

It has been proposed that the FTC oversee the rules and regulations that apply to the Internet, but such a change would prove harmful for subscribers.⁷ While the FTC should be considered a helpful partner if subscribers are the victims of unfair trade practices, subscribers need an agency that will root out such harmful behavior early to stop widespread abuses. Only the FCC has the expertise to prevent the type of behavior other agencies might not recognize or take too long to rectify.

⁷ <http://thehill.com/blogs/pundits-blog/technology/322312-fcc-should-not-leave-broadband-privacy-rules-to-ftc>

VII. Conclusion

For the reasons set forth, the FCC should make no changes in existing Open Internet rules, including removing the designation of Internet access as a Title II service of the Telecommunications Act of 1996.

Respectfully submitted,
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