

USTelecom asks the FCC to reverse its decision in the *Rural Health Care Order* to allow dark fiber to be eligible for support from the Rural Healthcare Connect Fund. The SHLB Coalition respectfully disagrees with USTelecom and supports the FCC's decision in 2012 to allow dark fiber to be eligible for support.

Dark fiber is an increasingly valuable option for anchor institutions and rural health care (RHC) providers in particular. As the National Broadband Plan recognizes,⁴ dark fiber is often a cost-effective way for anchor institutions to solve their broadband and telecommunications needs. Providers of dark fiber typically deploy raw fiber optic capacity and allow end users to supply their own electronics to "light" the fiber. This gives the end user greater control over the operation of the network, allowing the health provider to adapt the amount of bandwidth and the security features to its own individual needs.

While dark fiber may not serve the needs of every health care institution, dark fiber is often a less expensive alternative than traditional telecommunications services. By making dark fiber eligible for support, the Commission has made the most efficient use of the limited dollars available for the RHC provider because supporting dark fiber often requires less of a draw on the fund.⁵

In addition to the cost savings, it is much easier to add new capacity to a dark fiber network than traditional services. Once a fiber link and the appropriate electronics are installed, upgrading the bandwidth often involves a relatively minor software change. There are no additional facilities or equipment that need to be installed.

Dark fiber also creates opportunities for more competition. Different service providers can interconnect with the dark fiber network to provide competitive last-mile services to other institutions or consumers. Dark fiber also enables the customer to access competitive services instead of being tied to the service offerings of the incumbent provider.

⁴ "Applicants should be able to acquire the lowest-cost broadband service, whether it is a fully leased or a mixed lease/own solution. For instance, the current ineligibility of dark fiber prevents applicants from pursuing lower-cost mixed lease/own strategies for broadband infrastructure. Allowing funding for ownership or leasing of dark fiber and associated communications equipment could allow recipients to use locally underutilized commercial or governmental capacity to provide lower-cost, high-value broadband instead of leased services currently eligible for E-rate discounts." National Broadband Plan, p. 237.

⁵ This is not to say that dark fiber will always be the best alternative. By making dark fiber eligible for support, the Commission has given rural health applicants an additional competitive option that can lead to reduced prices and more efficient service provisioning.

Furthermore, allowing dark fiber to be eligible for support does not favor one provider over another. Any provider of dark fiber service is eligible to provide the service, including incumbent local telecommunications providers. Allowing dark fiber to be eligible for support opens up the field to a host of other non-traditional entities such as electric power companies, research and education networks, and municipalities, while also permitting incumbent carriers to provide dark fiber services if they so choose.

While USTelecom attempts to argue that administering dark fiber is too difficult and is beyond the capabilities of health care providers, the experience in the field tells a different story. Dark fiber is commonly used by municipalities and others to provide high-capacity broadband services to anchor institutions, including health providers. To give just one example, Martin County Florida used dark fiber provided by a cable provider for several years until it decided to deploy its own dark fiber network (underground) because of the extensive cost-savings and greater redundancy. The dark fiber network is being used to connect a local hospital – the Martin Memorial Hospital and 19 health facilities across two counties – allowing them to engage in tele-health services and comply with federal requirement to maintain electronic medical records. The revenues from that hospital have contributed to the sustainability and cost-savings of the entire network.⁶

USTelecom is incorrect in asserting that the statutory language does not allow support for dark fiber. Section 254(h)(2)(A) explicitly directs the FCC to adopt competitively neutral rules to promote “access to advanced service” by schools, libraries and health care providers. (emphasis added). This statutory provision permits support for services and facilities that provide “access” to advanced service and is not limited to traditional “telecommunications services.” Dark fiber gives rural health providers “access to” telemedicine services such as remote diagnostics, remote patient monitoring, telepsychiatry, and many more.

⁶ See, Florida Fiber: Martin County Saves Big with Gigabit Network,” published by the Institute for Local Self-Reliance, p. 7 (available at <http://www.ilsr.org/wp-content/uploads/2012/06/martin-county-fiber.pdf>.)

For all the reasons above, the SHLB Coalition respectfully asks the FCC to deny USTelecom's petition asking for dark fiber to be made ineligible for support under the Rural Healthcare Connect Program.

A handwritten signature in black ink that reads "John Windhausen, Jr." The signature is written in a cursive style with a large initial 'J' and a distinct 'W'.

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