

Getting Across the Digital Divide

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Advocates for universal broadband are excited because President's Biden's infrastructure bill has \$100 billion to bring the Internet to every American.

NASHVILLE, TN – Americans have been on line a lot more since the pandemic began. Children attended school remotely, people worked from home, telemedicine became a new trend, and all kinds of meetings took place on ZOOM.

“For more than a decade the CETF has called digital access a 21st century civil right,” said Sunne McPeak, President and CEO of the California Emerging Technology Fund (CETF).

The California Public Utilities Commission started the CETF in 2005 in response to corporate mergers of SBC and AT&T, and Verizon with MCI. It’s mission: to close the digital divide.

“Infrastructure is necessary but not sufficient to get everybody on line,” she said. It doesn’t do any good to build the best and fastest network if people aren’t using it. A lot of people simply can’t afford it.

The National Digital Inclusion Alliance (NDIA) started in 2014. “We are a unified voice for digital inclusion around the country,” said Executive Director Angela Siefer.

Siefer said that digital equity is the goal. "This is individuals and communities having full access to information communication technology to do whatever they need to do. Digital inclusion is the how. These are the activities that will get us to digital equity," she said.

The push for affordable home broadband has been a grassroots effort. "Sometimes this means paying for somebody's internet service, sometime it means negotiating for lower rates, sometimes it means building something that's cheaper. It also means affordable devices that meet your needs in the home," Siefer said. Those things cost money and the NDIA doesn't have deep pockets.



Sunne McPeak is President and CEO of the California Emerging Technology Fund (CETF).



Angela Siefer is Executive Director of the National Digital Inclusion Alliance (NDIA).

The NDIA is up against big cable companies like Comcast and AT&T that spend a lot of money in Washington to influence Congress. In 2020, AT&T spent \$13.3 million on lobbying and contributed \$11.5 million to political action committees. Comcast gave \$2.6 million to federal candidates last year; Verizon Communications gave \$3.7 million.

For years, the Federal Communications Commission (FCC) has debated whether cable is a utility (common carrier) or an information service (ISP) that provides content like Netflix. If it's a utility it can be regulated; if it's a content provider it can't. The Internet, of course, is both. That is the gist of the Net Neutrality debate.

People who work to close the digital divide are in favor of treating the Internet as a utility. They say that will help keep it open and competitive and result in better options and lower prices for consumers. They argue local government should offer Internet services, including public Wi-Fi, to bring broadband to unserved and underserved communities.

The cable industry is highly profitable because it operates like a cartel and pays off enough politicians to keep publicly-owned ISPs off their turf. Like any monopoly, this results in high prices and bad service.

Chattanooga has really fast Internet—1 gigabit per second—fast enough to download a movie in less than a minute compared to 25 minutes for the average broadband customer. It costs less than \$60/month. They offer a slower speed of 100mbps for \$27/mo.

The city's publicly-owned electric company, EPB, set up a smart electric grid in order to stop power outages that were costing the city about \$100 million/yr. They issued bonds and raised \$170 million and in 2009 EPB got \$111 million from the American Recovery and Reinvestment Act to lay a fiber optic network. The smart grid detects a fault in milliseconds and re-routes power. The grid cuts outage times in half.

Everyone on the grid in Chattanooga is hooked to the fiber network. Fiber also gave Chattanooga blazing Internet speed, TV, and telephone service to 60,000 households and 4,500 businesses. Big cable doesn't want to see Chattanooga's story repeated elsewhere and they have successfully lobbied to stop municipal utilities from offering broadband services in 19 states.

EPB has lobbied the FCC to let it expand beyond the border of its electric power service territory to nearby communities who have no service or just dial-up. Making sure everybody has high speed Internet is what digital inclusion and equity are all about.

Contrary to popular belief, the digital divide is not between urban and rural America. Prior to the pandemic, 36 million American households did not have an Internet connection at home, according to NDIA.

"Twenty-six are urban and ten million are rural," Siefer said. But still, for a lot of people the Internet is simply not available or too expensive.

Twenty-three electric cooperatives in Tennessee have followed Chattanooga's example and are bringing broadband to their customers. The Tennessee Broadband Accessibility Act passed in 2017 allowed electric co-ops to build fiber-to-the-home networks (FTTH) and the state is investing \$100 million to bring broadband to rural communities.

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In March, Governor Bill Lee announced \$15 million in FTTH grants. Significantly, 13 of the grant recipients were electric or telephone cooperatives that can now bring fiber to about 18,000 Tennesseans in 15 rural counties.

The Sequachee Valley Electric Cooperative (SVEC) has connected more than 11,000 homes and businesses across Marion County to its broadband service. They hung about 700 miles of fiber at a cost of \$20 million.

SVEC operates in five southeastern Tennessee counties. But its broadband service is only available in Marion County. Under the state’s broadband law, SVEC cannot bring broadband to counties that have telephone cooperatives even if they are in SVEC’s service area. Essentially, the law gives telephone co-ops exclusive rights to get into the broadband business in their service area.

President Biden’s \$1.2 trillion infrastructure package included \$100 billion to get every American connected to the Internet. It also included \$2.75 billion for digital equity work. On Wednesday, July 28, the Senate voted to open debate on the bill but the funding for universal broadband has been reduced to \$65 billion.