AT&T et al. fight against higher upload speeds in $20-billion FCC program

reader comments

79 with 55 posters participating

Share this story

AT&T, Frontier, Windstream, and their industry lobby group are fighting against higher Internet speeds in a US subsidy program for rural areas without good broadband access.

The Federal Communications Commission's plan for the next version of its rural-broadband fund sets 25Mbps download and 3Mbps upload as the "baseline" tier. ISPs seem to be onboard with that baseline level for the planned Rural Digital Opportunity Fund.

But the FCC also plans to distribute funding for two higher-speed tiers: namely an "above-baseline" level of 100Mbps down and 20Mbps up, and a "gigabit performance" tier of 1Gbps down and 500Mbps up. It's the above-baseline tier of 100Mbps/20Mbps that providers object to—they either want the FCC to lower that tier's upload speeds or create an additional tier that would be faster than baseline but slower than above-baseline.

FCC Chairman Ajit Pai has portrayed the $2 billion-per-year fund's goal as modernizing rural broadband by bringing up-to-gigabit speeds to remote corners of the nation. Companies pushing lower standards are trying to ensure that ISPs offering much slower speeds can get a large slice of that

federal funding without making significant network upgrades.

The above-baseline tier's upload target should be 10Mbps instead of 20Mbps, according to an FCC filing on December 23 by Frontier, Windstream, and lobby group USTelecom (which represents those two providers as well as AT&T, Verizon, and others).

The providers and USTelecom claimed that 20Mbps upload speeds wouldn't benefit rural consumers much:

> *[W]hen considering network build-out using fixed wireless technologies, an upload target of 20Mbps likely drives significant additional deployment costs—up to two to three times as high—compared to a 10Mbps upload target. At the same time, a 20Mbps upload target provides little to no additional benefits to the end user customer as all key upload use cases, including HD streaming, video conferencing, and gaming can similarly be accomplished with 10Mbps. By adjusting the upload deployment target from 20Mbps to 10Mbps, the Commission can promote competition at the 100Mbps tier, incentivize additional broadband deployment, and make limited Rural Digital Opportunity Fund dollars reach further.*

The groups also gave the FCC a presentation making their case in more detail.

One problem with the providers' argument is that advertised broadband speeds in the US are basically the best-case scenario—consumers are offered "up to" a certain speed but often get less than that. If the providers succeed in getting significant funding for 10Mbps upload speeds, consumers could end up getting actual speeds in the single digits.

AT&T to FCC: "Reject… more costly

tiers”

AT&T in October made its own filing that pushed for a slower tier of 50Mbps down and 6Mbps up “to encourage broadband deployment to as many locations as possible.” The company also said the FCC “should reject proposals to over-emphasize more costly tiers.” By that, AT&T means that the FCC should direct a larger share of the rural funding toward ISPs offering slower speeds.

On December 13, AT&T and other ISPs followed up with a proposal for a slightly slower tier than AT&T initially suggested, this time saying the new tier should be 50Mbps down and 5Mbps up (instead of the 6Mbps up that AT&T favored just two months previously). This December 13 filing was made by AT&T, Windstream, USTelecom, the Wireless Internet Service Providers Association (WISPA), and two small companies called Nextlink and Midco. The ISPs and trade groups urged the FCC to give more priority (or “weight”) to ISPs offering their proposed 50/5Mbps tier than to ISPs promising 100/20Mbps.

Verizon filed comments in the FCC proceeding, too, but didn’t suggest slower speeds. Verizon said the FCC should favor terrestrial broadband services and urged the commission to limit funding for high-latency satellite services to “exceptionally isolated or sparsely populated areas.”

100/20Mbps already the norm in FCC fund

The Rural Digital Opportunity Fund would replace the similar Connect America Fund (CAF) that was created during the Obama administration. The CAF program is already mostly funding 100Mbps/20Mbps projects, so what AT&T and USTelecom propose would be a step back. As the FCC noted, the Connect America Fund Phase II auction in 2018 awarded $1.488 billion to ISPs

that will serve 700,000 households and small businesses in 45 states, “with 99.75 percent of locations receiving at least 25/3Mbps service and more than half receiving at least 100/20Mbps service.”

The proposed Rural Digital Opportunity Fund would provide $20.4 billion over 10 years and distribute the money in a reverse auction to ISPs that agree to provide service in rural areas at the required speeds to at least 4 million homes and small businesses. Like the existing Connect America Fund and all of the FCC’s Universal Service programs, the new fund would be paid for by Americans through fees on their phone bills.

The FCC approved a Notice of Proposed Rulemaking to create the Rural Digital Opportunity Fund in August and then held a public-comment period. The FCC hasn’t said when it will make a final decision on the fund’s auction details.

Small ISPs support higher speeds

Two groups that represent smaller ISPs urged the FCC to reject calls for slower speeds. NTCA—The Rural Broadband Association and ACA Connects (formerly the American Cable Association) pointed out in a filing today that the Connect America Fund Phase II auction already included a 100Mbps/20Mbps tier.

“It would be remarkable ‘backsliding’ indeed from the CAF Phase II auction to adopt lesser standards—such as lower upstream speeds or entirely new, lower speed tiers—for an auction that will be conducted at least two years later and will distribute funds into the early 2030s,” NCTA and the ACA wrote. “Rather than closing the digital divide, USTelecom’s proposal will only widen it.”

Federal universal service law requires the FCC to promote deployment of telecom and information services to rural areas with quality and prices that are “reasonably comparable” to

what's available in urban areas, and 10Mbps upload speeds are not up to that standard, the groups also told the FCC. The USTelecom proposal for slower upload speeds "runs counter to Chairman Pai's admonition that 'the Universal Service Fund must be forward-looking and support the networks of tomorrow,'" they wrote.

Another industry group that objects to the USTelecom proposal is the Fiber Broadband Association, which represents equipment vendors, ISPs, and others in the fiber industry. The group disputed USTelecom's claim that 20Mbps upload speeds provide "little to no additional benefits" over 10Mbps.

"[M]arket research data from RVA LLC show that average upload speeds in the US surpassed 10Mbps over two years ago, grew by 75 percent over the next year, and continues to increase significantly," the Fiber Broadband Association said. "Speed test data from Ookla show that average upload speeds are even higher—38.71Mbps as of December 2018 and increasing to 48.41Mbps as of November 2019." The group's filing included that data in an appendix.

Many Americans use Internet applications with significant upload requirements, such as social media, online gaming, video conferencing, uploading videos to YouTube, and offsite backup of files, the trade group said. The group's filing said:

> *Given the substantial and continuing growth in demand for upstream bandwidth, it is clear that the same virtuous cycle that has fed (and continues to feed) increased downstream consumer demand—higher performance infrastructure driving the development of more bandwidth hungry apps/content driving deployment of higher performance infrastructure—is now at work for upstream demand… Further, because funding for the Rural Digital Opportunity Fund program will flow at least through 2030, there is no support for adopting an already antiquated upstream speed of 10Mbps for the 100Mbps*

performance tier. In fact, the evidence supports just the opposite, adoption of an even higher upstream speed requirement.

https://arstechnica.com/?p=1639471