

OpportunityIowa:**Open-Access Fiber for the Whole State**

Citizen activists are fighting incumbents' moves to legislate against municipal systems

By Mark Daley ■ *Communications Director*

OppportunityIowa is a citizen-driven, not for profit organization that believes communications facilities are essential infrastructure. It is working with over 40 Iowa communities to establish communications utility entities that would put those communities in the best position to explore every alternative to upgrade their telecommunications infrastructure.

OpportunityIowa was founded by Iowa telecommunications entrepreneur Clark McLeod, who serves on the Advisory Board. Joining him on the board are two former Iowa Governors, Terry Branstad and Bob Ray, along with former Attorney General Bonnie Campbell and several leaders from business and academic circles.

There is much talk in Iowa today about the need to attract and retain young people. Each year thousands of college graduates leave the Hawkeye State. Today in Iowa, there are more people over the age of 74 than under the age of five. No state grew at a slower pace than Iowa during the last century. Reversing these trends is going to take bold leadership and fresh ideas. OpportunityIowa was created to educate citizens about the vital role 21st Century communications infrastructure could play in doing just that.

Essential Infrastructure

Essential infrastructure can be defined as those physical structures of such importance to the quality of life and economic progress of a community that they must be provided. Essential infrastructure is meant to be shared by all citizens and businesses and thus it should not be duplicated. We need

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only one road to our house. For this reason, communities have always controlled essential infrastructure such as roads, water, sewers, and airports.

Iowans deserve the opportunity to access high tech, high paying jobs without leaving the state to do so. We at OpportunityIowa believe that communication lines to homes and businesses are essential infrastructure. The world is moving rapidly to an information-based economy. Many of the jobs we grew to depend on in the last century are gone – replaced by information-based jobs. These jobs are dependent upon the quality of our communications infrastructure and are critical for future job creation. Some countries have already taken action on this and have a tremendous lead on the United States in providing the infrastructure their workforce needs to compete.

Municipal Broadband: A Fiber Utility

In this introduction to OpportunityIowa, we will focus on fiber technology, because its capabilities are known and being realized all over the world. However, it is important to know that Op-

portunityIowa believes there are many potential technologies that should be studied thoroughly prior to a community deploying any new infrastructure. The goal is to eventually achieve Big Broadband capabilities in every home and business in the state.

A city-owned communications utility is a means to control and manage the essential infrastructure for communications. It is just like any other utility. The city would own the fiber lines used to deliver telephone, television and internet services, making a fiber utility no different than the streets and roads used to deliver other products and services to homes and businesses.

Most homes and businesses in Iowa are currently connected with copper lines owned and controlled by the cable and telephone companies. The copper technology is at least a half century behind fiber. Essentially, Iowans are paying private companies to operate and maintain old lines when they pay their monthly cable and phone bills.

We are paying for two lines when one new fiber line could carry phone, television and Internet services cheap-



OpportunityIowa equates broadband technology to roads, water and any other infrastructure a community's residents need.

er, faster and better. Additionally, fiber would allow services from multiple service providers, not just the company that owns the line.

Service from many providers could be delivered to regional fiber ports. Each port would serve a cluster of Iowa communities. Each city's fiber utility would begin at a fiber port. Every home and business in the community would get its own direct fiber line, vastly increasing the services from which to choose. Because all service providers could share the same line, the cost of delivering services would be much less. The community could decide what service providers would deliver phone, video, and Internet. Finally, Iowa communities could have a choice.

The community can most effectively build a fiber line to your home or business. Service providers could provide television, phone and Internet services over this single, shared fiber line to each home. Those service providers, which can include the companies who currently serve Iowans, would pay the city fiber utility a fee for access. Those payments would go directly into supporting this essential infrastructure. With

each monthly payment of a television, phone or Internet bill, part of those dollars would actually be invested back in the community. Most importantly, the dollars you pay would be for fiber rather than old obsolete copper.

The current cable and telephone companies serving Iowa have no incentive to replace their copper lines. They don't have to and they don't want to. They don't have to because they know consumers have no choice but to use their copper wires and they don't want to because it may bring competition where they currently have none. In fact, the incumbent phone and cable companies have expressed their opposition to upgrading existing infrastructure in order to make Iowa a leader in broadband capabilities.

Communications Utilities

The formation of a communications utility entity in and of itself presents no risk to taxpayers. In fact, 55 Iowa communities have already established communications utilities (see next page). Of those existing utilities, 27 actually offer some form of telecommunication services to their citizens. Those remaining

have not put any citizen taxpayer dollars at risk by forming their entity. In many cases, the mere possibility of municipal action had a catalytic effect on the incumbent provider, creating a positive change and advancing services.

Communities without broadband utilities have limited possibilities to expand their communication infrastructure. They can hope the incumbent provider makes the desired upgrades and enhances their infrastructure or that a separate private business overbuilds the incumbent's infrastructure and begins offering the services they were seeking.

Establishing a utility entity leaves these two options in place but puts the community in a better situation to explore every alternative, most importantly a fiber utility.

Local Action for Global Positioning

At last year's *D: All Things Digital* conference, Masayoshi Son, CEO of Softbank Corporation (a leader in Japan's broadband revolution), said, "American broadband? It's so slow. This country has a problem. You have been a leader in so many things, but not broadband – people can't start to compete here." In Iowa, not all of our communities even have access to cable modem or DSL connections, which operate at a fraction of the speed of the fiber infrastructure of Japan, China and many nations in Europe.

While current infrastructure may be sufficient to handle e-mail and surf the Web, it is insufficient to operate a business and attract information-based jobs.

Anti-Municipal Alternative Legislation

In order to protect their monopolies, Iowa's incumbent phone and cable companies have banded together in efforts to get the state's lawmakers to pass legislation to effectively eliminate the ability of a community to form communication utilities. At a time when our dependency on high capacity, cost efficient communications is rapidly increasing, this ill-conceived measure seeks to close the door to numerous alternatives. The future success of our largely rural population will

be predicated on our ability to pursue all options. This anti-citizen-choice legislation is a giant step backwards.

Activists from all over the state have been tirelessly reaching out to legislators to protect local choice in municipal broadband. Additionally, some prominent national organizations including Common Cause, Consumers Union and MoveOn have been assisting OpportunityIowa in its efforts to educate citizens about the importance of protecting local options. ♦

About the author

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OpportunityIowa Communities: Cities Organizing a Referendum in 2005

Grass-roots, local action committees in these communities are working to take the question of local choice to citizens via a referendum vote in November, 2005.

Ackley
Adel
Altoona
Anamosa
Asbury
Carlisle
Charles City
Cherokee
Cresco
Decorah
Dubuque
Dunlap
Dyersville
Earlham
Evansdale
Glenwood
Hamburg
Hampton
Hiawatha
Hudson
Iowa Falls
Johnston
Knoxville
Lansing
Lenox
Manchester
Maquoketa
Marion
Marshalltown
Mason City
Nevada
Norwalk
Parkersburg
Polk City
Robins
Shenandoah
Sidney
Vinton
Waterloo
Waukon
West Union
Windsor Heights
Winterset

Existing Municipal Communications Utilities in Iowa

These communities already have a city-owned communications utility. The municipal communications utilities in these cities support other Iowa communities in their desire to form a municipal communications entity.

Akron
Algona
Alta
Arnolds Park
Bellevue
Cedar Falls
Coon Rapids
Denison
Emmetsburg
Harlan
Hartley
Independence
Indianola
Lake View
Laurens
Le Mars
Manilla
Milford
Mount Pleasant
Muscatine
New Hampton
Okoboji
Onawa
Osage
Paullina
Pocahontas
Primghar
Reinbeck
Rock Rapids
Sanborn
Spencer
Storm Lake
Tipton
Traer
Wahpeton
Waverly
Webster City
Woodbine