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## **Broadband P3s Attract Business to Local Communities.**

Huntsville Utilities' decision to build a fiber broadband network through which Google Fiber will provide gigabit Internet to residents and businesses will improve the economic competitiveness of Alabama's fourth-largest city, two state legislators believe.

"Research has shown that communities with gigabit services have exhibited a per capita GDP approximately 1.1 percent higher than similarly situated communities without gigabit service" and this feature also can increase the value of a home by 3.1 percent, wrote Reps. Mac McCutcheon and Laura Hall in an op-ed in AL.com.

Fitch Ratings upgraded Kansas City, Mo.'s bond ratings when Google Fiber started providing gigabit Internet access there and communities have reported an increase in the construction of office buildings and creation of business startups after installing fiber networks and inviting private companies to provide high-speed Internet access, the legislators noted.

Huntsville Utilities will build a new fiber network to monitor its public water, electric and natural gas systems throughout its network. Google Fiber will access the network through a 20-year lease. The public utility will own the network and Google will own the power line-to-home connections, handle all hookups and provide Internet services.

The city views providing universal access to high-speed Internet as a key way of keeping and attracting high-tech businesses that nearby Chattanooga, Tenn., with its municipal-utility-provided fiber network, might otherwise lure away, reported muninetworks.org.

Opponents of these types high-speed broadband P3s have argued that permitting governments to build fiber networks constitutes unfair competition with the private sector, but McCutcheon and Hall disagreed.

"Huntsville Utilities is not planning to compete with private broadband providers. Instead, they are leasing to private parties — lowering the barriers to competition. This sort of arrangement plays to the different strengths of cities and the private sector — cities often invest in and maintain durable infrastructure that's core to the community, while private entities are generally better at providing a commercial service," they wrote.

The Federal Communications Commission (FCC) has championed municipalities' efforts to expand broadband infrastructure, reported Fierce Telecom. The FCC in February 2015 overturned state laws that prevented Wilson, N.C.'s and Chattanooga's municipal service providers from expanding their broadband networks to neighboring communities where private companies were installing only low-speed Internet service.

The FCC concluded that the overturning the laws "will speed broadband investment, increase competition and serve the public interest," noting that "[t]he networks in both areas have attracted major employers, including Amazon and Volkswagen in Chattanooga and Exodus FX, Regency Interactive and WHIG TV in Wilson." Tennessee is fighting the FCC's ruling.

NCPPP

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*Angela Simpson, deputy assistant secretary at the National Telecommunications and Information Administration, will talk about telecommunications partnerships as a featured speaker at NCPPP's Federal P3 Summit, March 17-18 in Washington, D.C.*

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