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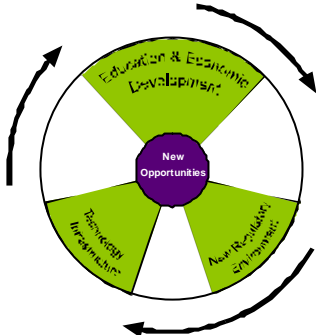
Global Forum 2003
Commonwealth of Pennsylvania



November 7, 2003



Commonwealth of Pennsylvania
Broadband Access is the Defining Issue of this Era



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Pennsylvania's Strategic Vision

- There is No Single Solution
- There **Should** be a Shared Vision
 - Coordinate government efforts — multiple levels & multiple roles
 - Regulator role
 - Consumer role
- Public and Private Sectors Can Work Together

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Telecommunications Deregulation

- **1993:** Pennsylvania exchanged partial deregulation for broadband deployment commitments
- **Chapter 30:** State law governing deregulation/broadband trade-off
 - Chapter 30 sunsets in 2003
 - Innovative new law to replace old

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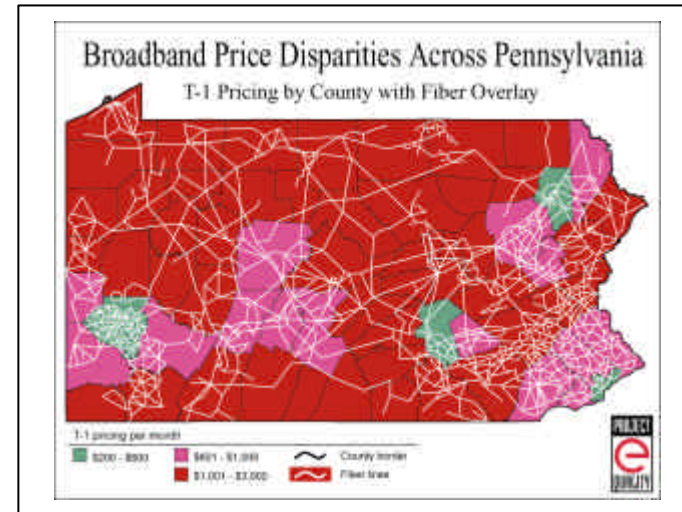
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Project e-Quality

- Public-interest initiative started by Affinity Group to mobilize for Chapter 30
- New Draft Legislation:
 - Creates regulatory telecommunications commission
 - Provides fund for broadband deployment in under-served areas
 - Increase Universal Services access for under-served areas
 - Promote development of Pennsylvania Education Network

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State Government Partnerships

- Commonwealth Telecommunications Services
 - Largest Telecommunications Customer
 - Leveraging buying power for public network
 - State Government as "Anchor Tenant"
- Pennsylvania Department of Education
 - **Digital School Districts:** fiber and wireless networks linking teachers, students & parents at home and school

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Local Government & Local Schools

Local "Anchor Tenants"

- **Schuylkill County:** Local interests partnered to attract affordable broadband deploy in rural areas
- **Kutztown:** Own public utility provider for broadband services to its residents
- **Glendale Area School District & Quaker Valley School District:**
 - Leveraging school's infrastructure to provide low-cost wireless broadband connections to schools, homes and businesses

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Public/Private Partnerships

- **KeyNet Alliance:** Leverages government economic development funding to augment private-sector investment in public infrastructure
 - **"I-Tec-99"**
 - Fiber Along Interstate Highway, But No "On Ramps"
 - Matching Fund Grant Provided Access to Two School Districts and Two Industrial Parks

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Lessons Learned

- **Make Regulatory Authority Adaptive**
 - Regulatory authority needs focus and flexibility
- **Exploit Competition**
 - Government buying power *can* influence provider behavior
 - Identify and harness "Anchor Tenants"
- **Create Investment Incentives**
 - The Public Network needs private investment
 - Leverage public sector economic development and education programs

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Conclusion

- Questions: during discussion...
 - or email to... giordano@theaffinitygroup.net
- Presentation and materials available at:
 - <http://www.theaffinitygroup.net>

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