



LD 1778, An Act to Enable the Installation of Broadband Infrastructure

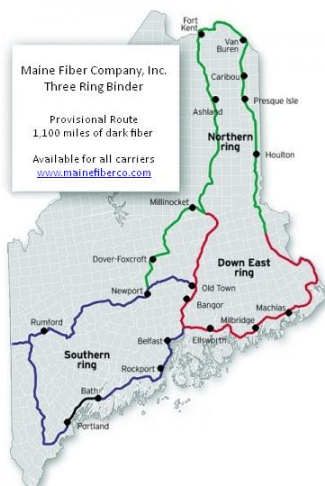
*LD 1778 will enable cost-effective construction of **Three Ring Binder**, a backbone artery for broadband access in unserved portions of rural Maine that will foster robust competition among Internet providers in these areas.*

What does LD 1778 do?

- It would enable “dark fiber providers” who receive “stimulus” grants to string “middle mile” dark fiber on utility poles in Maine, provided the fiber is available to other carriers: (1) on an open access basis; (2) access is non-discriminatory; and (3) the rates are filed with the Maine PUC.
- LD 1778 also would provide access to public rights of way for dark fiber providers and ensure that the “make-ready” process for installing dark fiber on poles does not unduly delay installation.

Why is LD 1778 necessary?

Maine PUC staff has advised that only certain types of entities have a statutory right to attach to utility poles. LD 1778 will ensure that **Maine Fiber Company (MFC)** can fully install the **Three Ring Binder (TRB)** project in Maine within federally-established timelines.



What is **Three Ring Binder**?

- **TRB** consists of three “rings” of high-capacity fiber-optic cable that will serve as the central arteries for other carriers to provide high-speed Internet service to customers in rural Maine.
- **TRB** is a true, “dark fiber” network that will extend more than 1,100 miles, through more than 100 rural Maine communities, in close proximity to over 110,000 Maine households.
- **TRB** will improve communications and service for 600 anchor community institutions and 38 government facilities.
- **TRB** will link 10 University of Maine campuses in a 21st century, high-speed data network.

Three Ring Binder means investment and jobs in Maine.

- **TRB** represents a total investment of \$31 million in Maine, \$7 million of which is private.
- Access to high-speed broadband means jobs for Maine.
- As US Commerce Secretary Locke stated on December 17th in Orono when announcing the ARRA grant for **TRB**: *“Too many American communities today are stuck with 20th century information tools that leave them ill-equipped to compete in today’s global economy. That is simply unacceptable, and it hampers our economic growth. The Three Ring Binder is going to help change that, and we are very pleased to have the Obama Administration’s active support.”*

Three Ring Binder was strongly endorsed at all levels of government on a bi-partisan basis.

- **TRB** won the strong support and endorsement of Maine’s 11-member Broadband Strategy Council, the Connect ME Authority, and Governor John Baldacci.
- **TRB** was supported by Maine’s Congressional Delegation – Senator Olympia Snowe, Senator Susan Collins, Representative Mike Michaud, and Representative Chellie Pingree.

Three Ring Binder means Rural broadband access and robust competition for Maine consumers

Maine Fiber Company, an independent, private corporation, will operate *TRB*.

- Three Ring Binder will be owned and operated by Maine Fiber Company, a private company based in Maine. *MFC* is unaffiliated with any telecom carrier to ensure fair and equal access to the system for all competitors.
- *MFC* is owned by Dwight Allison and Robert CS Monks, who have been partners for over 25 years in a variety of businesses, including Institutional Shareholder Services, Atlantic Bank, Dirigo Management Company, and The Eagle Point Companies.
- The University of Maine System will be a customer, not an owner, of *Three Ring Binder*.

Will Three Ring Binder create unfair competition for carriers in Maine?

- No. *MFC* will be a wholesale provider of dark fiber, and its customers will be Internet Service providers, wireless carriers, and telephone companies. *MFC* will not provide “lit” service in competition with private broadband carriers.
- *MFC* is required to provide service on an *open access* and *non-discriminatory* basis.
- All carriers in Maine will be able to use the *TRB* network to serve their customers in Maine, resulting in robust competition for the benefit of Maine consumers.

Will Three Ring Binder duplicate existing services in Maine?

- No. Prior to receiving a federal stimulus grant, *TRB* was carefully reviewed by the National Telecommunications Information Agency (NTIA) of the US Department of Commerce to determine whether there was overlap with existing carriers. NTIA determined that *TRB* would substantially improve access to high-speed Internet access in rural Maine. If material duplication had been discovered, *TRB* would not have been funded.
- *TRB* will offer a mid-mile, dark fiber service that is fundamentally different from what currently exists in rural Maine. In fact, carriers seeking to obtain dark fiber service along the *TRB* route have routinely been denied access by incumbent fiber providers.

Will Maine Fiber Company provide regulated service?

- The provision of dark fiber is not subject to regulation.
- By contrast, as a recipient of ARRA funds, *MFC* is uniquely required by law to provide its service on an open-access basis, without discrimination, according to published rates. Failure to meet these requirements would enable the NTIA to take back the system.

Will LD 1778 sacrifice safety standards on utility poles?

No. Like all other pole attachers, dark fiber providers would be subject to the National Electrical Safety Code and all other rules governing safety and access to poles.

Will LD 1778 harm existing utility pole owners?

No. Like all other pole attachers, dark fiber providers will be required to pay all established fees to pole owners, which will help defray the cost of pole ownership.

Will Three Ring Binder harm Maine workers?

No, just the opposite. *TRB* will require work on 36,000 utility poles in Maine, which is a huge project. Moreover, by federal law, all work on *TRB* must be competitively bid and pay prevailing wages.

“This public/private fiber partnership that helped get the Three Ring Binder started is not creating a government-financed competitor for FairPoint. It’s creating equal opportunity for small service providers to meet a need and grow in a field that has an uncertain future.”

Maine Sunday Telegram
February 14, 2010

