

Top 10 Objections to Community Broadband

1. Community Broadband Networks are failing all over the country; why do you believe the Township will be successful?

There are two big differences between the failing networks and what the Township is proposing. The first difference is technology – most of the failing networks are relying on unlicensed Wi-Fi technology to deliver service to their residents. The biggest challenge with this network design is that power output is limited and thus requires a significant amount of hardware (access points) to be deployed in order to achieve respectable coverage. This is a very expensive proposition and thus many Community Networks deployed less than optimal networks.

The second difference is the business model. Most of the failing community broadband networks are touted as “Free to the Community”. The plan is to build a network in the township, city, etc at no cost the municipality and then generate revenue from paying residents. Since there is no guarantee of revenue from building this network, most private companies designed low cost networks assuming it was “good enough” since they were paying for it. The outcome was a very poor customer experience that never generated significant customer adoption.

Upper Dublin is addressing these two issues in a significant way. First, the network that is to be deployed is a licensed spectrum network that offers true mobility within the township. The throughput will be comparable or better than the landline based services from major cable companies and telcos with coverage that will be available to more than 90% of Township residences. Second, Upper Dublin is the owner of the network and an anchor tenant. Thus, the township is in complete control of the product offers, pricing, and network design. This will provide the potential for an excellent customer experience at a fair price.

2. Why build a broadband network when the private sector is meeting the broadband needs of Upper Dublin Township?

Contrary to popular belief, not all residents have a choice of broadband providers. In ~25% of Upper Dublin Township, residents have access to only one provider or no provider. Secondly, prices have been on the rise as the duopoly of cable companies and telcos fight to improve profitability for their “Triple Play” services. This has led to fairly low promotional pricing that can increase 40% to 50% after the promotion has ended. Based on the Township’s business case, cost effective offerings will be made available to residents.

3. These networks cost millions of dollars and the Township will never get the return on investment.

Upper Dublin's business case clearly demonstrates the ability to show a positive return on investment. With only 20% of residents adopting the network over a 10 year period, the Township will cover all costs of the network implementation and any operating expenses incurred. Additionally, all sunk costs associated with consultants, studies, demo network equipment, etc will be recovered over the ten year period.

4. Running a broadband network is complicated and the Township has no experience.

While it is true that Upper Dublin personnel do not have extensive experience running a broadband network, their chosen partner (NextWave) and select consultants do have extensive experience building and running networks. The combination of this outsourced team provides significant expertise that is as good as what a landline provider has available to them.

5. This network will be obsolete in a couple of years and the Township will be stuck with an antiquated network that will not be able to compete with cable companies and telcos.

Upper Dublin has already built into the business case a technology upgrade to either WiMAX or LTE depending on the technology that "wins" in the marketplace. Additionally, a significant refresh, in year 10, is accounted for in the business case to address the obsolescence issue.

6. Public safety is already being addressed through commercial wireless networks.

Current commercial wireless networks only cover 66% of the Township; thus leaving the police and fire departments "blind" in 1/3 of the Township. Additionally, video surveillance is not viable on these networks due to bandwidth "caps" and limits on the amount of megabits that can be downloaded.

7. Taxes will have to be raised to fund this network and I won't be using it.

Taxes will NOT have to be raised to fund this network. The proceeds from the sale of the water and sewer business will be the "seed" money to start the project. Over a 10 year period, all monies will have been recouped with interest. All of this will be paid for by the residents buying network services. Even if a resident decides not to purchase services from the community broadband network they will benefit from improved township services – specifically improved public safety.

8. The network equipment is an “eye sore” and will ruin the aesthetics of the Township.

Unlike Wi-Fi networks, the proposed Township network will only utilize 6 existing tower locations to hang equipment. No light pole extensions, no antenna’s hanging off the sides of buildings, etc. A similar Wi-Fi network would require 400 to 600 access points to cover the township. Each access point would require a mounting location and power.

9. Wireless network coverage in my Home is inadequate; won’t the Township network have the same problem?

No, typically an area such as the township would be covered by 1 wireless tower from a commercial provider. Upper Dublin is deploying 6 locations in order to achieve greater than 90% indoor coverage. Additionally, the customer premise equipment is design with the ability to hang an antenna on a window which will improve coverage further.

10. Wireless networks seem complicated, it will be very difficult to get up and running.

The Township network is no more complicated than getting any landline based broadband network up and running. The only requirement is the use of a modem that the Township provides. This modem would replace an existing cable or DSL modem. The installation is actually easier than a typical cable or DSL installation since the Township’s modem does not require a physical connection to the cable or telephone network in your home.