



## CITY OF PORTLAND, OREGON

### Office of Cable Communications and Franchise Management

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### **PORTLAND COMMUNITY FIBER NETWORK** **Update on FTTP project for the CITY OF PORTLAND**

**Background:** America is falling behind the world in developing the necessary fiber optic broadband connections to homes and businesses that much of the rest of the world is already developing or building, and which will be necessary for the Internet speeds and business connections of the 21<sup>st</sup> century. From a position of 1<sup>st</sup> in the world (in the late 1990's), the USA has already fallen behind many other countries (we were recently overtaken by Luxembourg and Iceland). There is no leadership from the FCC—and the U.S. telephone industry (with the exception of Verizon) and the U.S. cable industry have no announced plans but to continue maximizing profit from their existing copper wires, and continuing to portray low-speed (less than 25 mbps) asymmetrical residential Internet access as “broadband”. This already holds true in Portland—our existing residential telco (Qwest) and cable operator (Comcast) have no plans to build fiber to the premises of Portland homes and small businesses in order to provide the kind of speed (100 mbps symmetrical), and platform (open network available to businesses and citizens) that is becoming the world standard, and is critical infrastructure (like roads, airports, water systems) necessary to support and grow existing businesses, attract new businesses, and develop innovative public service applications in education, telemedicine, telecommuting, etc. This situation persists despite the fact that Verizon is already building fiber to the homes and businesses to the east and west of Portland (in Washington County and East Multnomah County). *The market is failing in Portland, and without action, Portland will stand alone, surrounded by fiber-rich suburbs.*

**Community Fiber Network for Portland.** Since our incumbent telephone and cable operator have no plans to build fiber into the premises of homes and businesses, or open their platforms, Portland (like many other cities) has begun to explore how to build the fiber infrastructure (“FTTP” or “Fiber-to-the-Premises”) directly, either as a 100% City project, or with a partner. We are not alone in this effort—Seattle, San Francisco and many other cities of comparable size or larger have similar projects underway. Moreover, Portland has strong credentials in promoting open platforms, stemming from our nationally-recognized fight for open access to the Internet (in 1999 and beyond).

**Phase 1 FTTP study, 2005-2006.** Under the Mayor's office, the Cable Office with the assistance of 3 other bureaus (Portland Development Commission, Bureau of Technology Services and the Office of Management & Finance) in 2005 completed a Phase 1 FTTP study showing there was a strong business case for the City to develop an “open access” FTTP platform available to businesses and residents. The City Council reviewed these findings in 2006, and unanimously agreed to move forward and fund a Phase 2 Business study, which is now under way.

**Phase 2 Community Fiber Network Business Case, due November, 2007.** The Portland Cable Office under Commissioner Saltzman (in cooperation with the same City bureaus) is now completing the Phase 2 Community Fiber Network Business Case study, documenting and updating the findings of the Phase 1 study, and developing recommendations for the City Council to consider moving forward in developing and constructing a Community Fiber Network for Portland that would not otherwise be possible by sitting still, and which could immediately benefit our businesses and citizens, and enable Portland to become competitive on a national and global basis, and keep pace with 21<sup>st</sup> century technology. The Community Fiber Network study and recommendations are due by the beginning of November, 2007, and a Council Informal to review the results and the next steps is scheduled November 20, 2007 at 9:30 a.m. in the City Council Chamber. More information is available here: <http://www.portlandonline.com/cable/index.cfm?c=45468>