

Alabama will compete for broadband funds

BY MARKESHIA RICKS • MARCH 3, 2009

While it is known that Alabama will draw about \$3 billion over the next two years from the federal stimulus package, it isn't known how much the state will receive to expand broad band into rural areas because Alabama will have to compete for those funds.

The federal stimulus package sets aside \$7.2 billion to deploy high-speed Internet throughout the United States, but there's a catch. Unlike other major parts of the stimulus bill, the broad band money is only available through competitive federal loan and grant programs.

The U.S. Department of Agriculture Rural Utility Service/Rural Broadband Development Program will get \$2.5 billion for loans, grants and loan guarantees, while the rest of the money will go to the new Broadband Technology Opportunities Pro gram, which is managed by the U.S. Commerce Department's National Telecommunications and Information Administration. The majority of the commerce department's stimulus funds must go to broadband grants.

Kathy Johnson, director of the Alabama Broadband Initiative, said the state is in good position to compete for those funds. At the beginning of the year, the state hired a company to help roll out a plan to put broadband in every part of the state by 2010.

Johnson said the initiative is on target to produce its first map of areas in the state that do and do not have access to high-speed Internet service by the end of May.

She said there is funding in the stimulus plan for more map ping and innovation that encourages people to adopt broad band.

"There are some significant dollars available," she said. "Each state should receive at least one project -- we're not guaranteed that, but we would like to see a true comprehensive project that could impact many areas."

Johnson said much like traditional infrastructure projects to be competitive for federal broadband dollars, states will need to have "shovel ready" projects that can start in 90 to 120 days, and Alabama meets that criteria.

She said the state has already signed nondisclosure agreements with service providers, is collecting data and is putting in place teams of people who will be responsible for drumming up the demand for high-speed access.

While there is funding available for entities interested in building broadband infrastructure, Johnson said the state won't compete for those funds because that's not the intent of Alabama's initiative. The state will, however, encourage service providers that it works with to access those funds.

There's already at least one provider looking into ways to use stimulus funds to bring more broadband to Alabama and other states with large rural communities.

Huntsville-based International Broadband Electric Communications (IBEC) and IBM are working with rural electric cooperatives to deploy high-speed Internet using broadband over power line technology. Cullman Electric Cooperative is one of the first co-ops to participate in the program and is serving as a model for other rural communities. The project is now working with 16 rural co-ops in nine states.

Scott Lee, CEO of IBEC, said broadband over power lines, which essentially is sending data over lines used for transmitting electricity, is an economically viable alternative to laying expensive optic fiber, or using other existing technologies such as transmitting data over phone or cable lines.

"We think that broadband over power line is our best solution because it can go to as little as five homes per linear mile and it still makes economic sense," he said.

Lee said Cullman, which is in the north central part of the state, has more than 1,600 homes wired for broadband over power line and will soon have more than 7,000 connected.

He said states will have to make broadband a part of their priorities if they want rural areas to thrive.

Grady Smith, CEO of Cullman Electric, said in a statement that broadband over power line technology could do for rural America what the Rural Electric Administration did for it in the 1930s.

"Today instead of electricity it is broadband service that is on course to change our lives," he said, according to the news release. "I do not believe it is an exaggeration to say that broad-band service is the single most important technological issue of this generation, and that it will have the greatest impact on society since basic electricity and telephone service."

Johnson said more and more, people are beginning to understand the potential of broadband deployment.

"Broadband access is not a luxury," she said. "It is a necessity. We've got to get on board or we will be left behind."

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