

**JOINT STATEMENT OF
CHAIRMAN MICHAEL K. POWELL
AND
COMMISSIONER KATHLEEN Q. ABERNATHY**

Re: Amendment of Part 15 Regarding New Requirements and Measurement Guidelines for Access over Power Line, ET Docket No. 04-37 & In the Matter Regarding Carrier Current Systems, including Broadband over Power Line Systems, ET Docket No. 03-104, Report and Order (Adopted October 14, 2004).

A strategic goal of this Commission is to promote the availability of broadband to all Americans irrespective of platform. Today, the Commission takes another important step towards achieving this goal through adoption of this Report and Order adopting final rules on broadband over power line (BPL) communications technologies.

The technology behind BPL is both fascinating and revolutionary. Just a few short years ago, critics argued that competition for the “last mile” would never become a reality because no one could duplicate or bypass the telephone line that ran from the curb into the home. With the advent of the 1996 Act, the Commission’s focus on fostering facilities-based competition, and the development of new technologies, the market for last-mile connectivity for broadband services in the United States has become increasingly competitive. Today we see viable competition from multiple platforms including cable modem services, satellite, Wi-Fi, Wi-Max, and DSL. BPL provides us with a new potential competitor in the broadband market. BPL technology also holds promise in improving the provision and management of electric power systems, homeland security, and protecting vital elements of the Nation’s critical infrastructure. This is one of the reasons our colleagues at the Federal Energy Regulatory Commission (FERC) have joined us in supporting this new technology.

By crafting a minimal regulatory framework for BPL we are advancing Congress’s goal of creating a pro-competitive, deregulatory framework, and the Commission’s goal of deploying broadband to every American. Because BPL is a nascent technology and the broadband market has no dominant incumbent service provider, only minimal regulations are appropriate. However, this does not mean that we have not been cognizant of the need to protect existing licensed services from interference. To address this issue, the Office of Engineering and Technology (OET) has done thorough testing of BPL systems to ensure the rules we are adopting protect existing governmental uses, amateur radio operators, and other licensees from interference. We have also closely coordinated with the National Telecommunications and Information Administration (NTIA) to make sure that their concerns have been addressed. We believe the new requirements we are imposing will help minimize harmful interference that may occur and, to the extent any harmful interference does occur, to quickly resolve any issues.

We have both had the opportunity to witness BPL services first hand and we believe that this new technology holds great promise as a low cost broadband competitor. The pervasiveness of the utility grid means that almost every home in America can be accessed by this type of service. Moreover, the presence of a third universal broadband connection will mean a robust choice for consumers and strong, healthy competition. Additionally, unlike some other technologies, there is no need for consumers to purchase supplemental broadband connectors in order to receive a broadband connection. The consumer simply plugs a device of choice into an electrical outlet to receive a broadband connection from the BPL service provider.

The benefits and advantages of BPL are just beginning to be recognized. That is why it is important for regulators to exercise restraint and avoid heavy-handed regulations. We must allow the marketplace to develop the full potential of this technology. In the long run, this approach should result in Americans receiving the full benefits of this new technology and the applications it supports.