



Western Wireless Corp. ([www.wwireless.com](http://www.wwireless.com))  
Broadband: Supply, Demand and the Role of Regulatory Policy  
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The principal factor in predicting whether broadband and advanced wireless services will be available to all consumers, especially those in rural areas, is the availability of network facilities capable of supporting high-speed data services. Today, the facilities-based service providers in rural areas include incumbent local exchange carriers, cellular and PCS service providers, cable operators, and satellite system operators. Until recently, financial support in the form of universal service was made available only to the incumbent local exchange carrier with the hope that this carrier would provide basic and advanced communications services that consumers want. It has become increasingly clear that in many rural areas the delivery of advanced services will not come to fruition, for many reasons, relying exclusively on the incumbent local exchange carriers. Competition is necessary to spur innovation and the delivery of new services to consumers.

To allow rural consumers to realize the benefits of access to telecommunications services typically available in urban areas, policy makers and regulators must take steps to reform current federal and state universal service support mechanisms so that competitive carriers and incumbent carriers alike have access to the same levels of support. This means that implicit support mechanisms, such as access charges, must be reformed and replaced with explicit, portable universal service funding mechanisms, and that explicit, portable universal service funds are established to provide support to carriers that serve rural, high-cost areas. Additionally, state commissions must expeditiously grant competitive carriers ETC status, must not impose unlawful and unreasonable conditions on ETC designees, and must prevent incumbent carriers from delaying and preventing competitive entry into the local market. Competition will only emerge, and consumers will only realize the benefits of competition, if federal and state regulators ensure that all service providers are able to compete on an equal and level playing field.