

**Congress of the United States**  
**Washington, DC 20515**

September 17, 2012

Lawrence E. Strickling  
Assistant Secretary for Communications and Information  
National Telecommunications & Information Administration  
U.S. Department of Commerce  
1401 Constitution Ave., NW  
Washington, D.C. 20230

Dear Assistant Secretary Strickling:

As you know, Colorado's EAGLE-Net Alliance was awarded a \$100.6 million grant in September 2010 from the U.S. Department of Commerce's Broadband Technology Opportunities Program (BTOP), in coordination with the American Recovery and Reinvestment Act (ARRA). The premise of the grant was to help drive investment into Colorado in rural areas that truly need help with broadband connectivity. Colorado purportedly compared poorly with other states because of a presumed digital divide between our state's rural and metropolitan areas.

EAGLE-Net's original mission as a self-described "independent governmental entity" was "to bring high-speed Internet to every public school in Colorado through public-private partnerships to build a comprehensive, statewide network." It is our understanding that EAGLE-Net's mission was to bridge the existing gaps in Internet connectivity in some of our state's rural public school districts.

However, the reality on the ground today in Colorado suggests a very different – and troubling – picture. The project's intent to communicate with private companies on the ground has not been achieved. Moreover, we are concerned that EAGLE-Net has engaged in overbuilding existing networks at the expense of Colorado's longstanding rural telecommunications providers.

Some 25 small companies and co-ops that historically have served much of rural Colorado's telecommunications say they have been blindsided by EAGLE-Net's vastly expanded ambition "to build new infrastructure and provide broadband services to community anchor institutions throughout Colorado." EAGLE-Net by many accounts is overbuilding its network right alongside recently upgraded high-speed fiber-optic lines installed by private providers. Further, it openly intends to compete with those providers for the business of these "anchor institutions" which include local governments, law enforcement agencies, libraries and other public entities that, in rural Colorado, are the lifeblood of the private telecommunications providers.

More to the point, many of these institutions and their surrounding communities—places like the San Luis Valley, the Lower Arkansas Valley and significant swaths of northeastern Colorado—already benefit from high-speed Internet access, courtesy of those local telecommunications providers. The supposedly insufficient "market forces" EAGLE-Net was intended to supplement have in fact been evolving rapidly to meet the needs of many rural Colorado communities, including their public schools. Thus, even EAGLE-Net's earlier, more modest aim of serving public education may by now be moot in many locales.

As for those communities that truly are underserved and lack high-speed Internet connectivity—particularly some Colorado mountain towns like Silverton—oddly, they are still waiting for EAGLE-Net to come their way and are wondering what is taking so long.

Meanwhile, a number of the private providers that have been endeavoring to keep apace of the Information Age have taken on considerable debt to build out their infrastructure—borrowing capital through the U.S. Department of Agriculture’s Rural Utilities Service. Their predicament highlights an almost absurd irony in that government branches are now competing against each other with taxpayer dollars.

U.S. taxpayers are being forced to subsidize a federal initiative whose most substantial accomplishment ultimately could be to put Colorado’s rural telecommunications industry out of business.

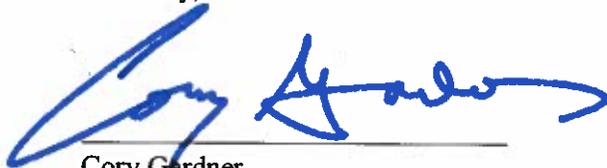
It should go without saying that this development is extremely troubling to us. As Colorado’s elected representatives to the United States Congress, we are calling on you to do everything in your power to intervene. At the very least, EAGLE-Net’s expansion plans must be put on hold until the Department of Commerce:

- Comprehensively and definitively addresses the urgent concerns raised by providers in the private sector;
- Explains the duplicative use of taxpayer dollars to fund both EAGLE-net and other companies that use RUS loans;
- Accounts for a strategy that appears by all accounts to involve overbuilding in served areas and sidestepping some truly needy ones; and
- Fundamentally reassesses EAGLE-net’s mission.

The economy is fragile enough in rural Colorado as it is in so many rural communities across the country. We urge you to take a strong look at this program to ensure that it does not wind up killing jobs and ruining small businesses in places that can least afford it.

We look forward to your prompt response.

Sincerely,



Cory Gardner  
Member of Congress



Scott Tipton  
Member of Congress



Mike Coffman  
Member of Congress



Doug Lamborn  
Member of Congress