

**BROADBAND ASSISTANCE ADVISORY COUNCIL MEETING (BAAC)
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS (DCCA)
STATE OF HAWAII**

MINUTES OF MEETING

Date: September 9, 2011
Time: 10:00 a.m.
Place: Hawaii State Capitol, Conference Room 423
415 S. Beretania Street
Honolulu, Hawaii 96813

BAAC Members Present: Everett Kaneshige, Deputy Director of DCCA, Chair;
Gordon Bruce, Chief Information Officer, City & County of Honolulu; Bob Barlow, President, Oceanic Time Warner; Eric Yeaman, President, Hawaiian Telcom; Kevin Dayton, Office of the Mayor, County of Hawaii; Clyde Sonobe, Office of U.S. Senator Inouye (for Jennifer Sabas); Sharene Urakami-Oyama, AT&T; Rep. Derek Kawakami, Rep. Kyle Yamashita, Sen. Carol Fukunaga, and Sen. David Ige.
Absent: David Lassner, Chief Information Officer, University of Hawaii; and Lisa Konkola, Eyekon Systems.

Others Present: Keali'i Lopez, Director of DCCA; Yuka Nagashima, CEO, High Technology Development Corporation(for , DBEDT); Donn Yabusaki, CATV Administrator; Sanjeev Bhagowalia, Chief Information Officer – State of Hawaii; Sterling Yee, DCCA Broadband Program Specialist; Cathy Takase, DCCA Broadband Program Specialist

AGENDA: The agenda for this meeting was filed with the Office of the Lieutenant Governor.

I. **Call to Order** – The meeting was called to order by Chair Everett Kaneshige at 10:07 a.m.

Introductions – Introductions were made of the Chair of the BAAC, DCCA Director, BAAC members, and Broadband office staff. Chair Kaneshige also introduced Donn Yabusaki, who recently joined DCCA as the Cable Television Administrator; Yuka Nagashima, Executive Director of the High Technology Development Corporation; and Sanjeev Bhagowalia, the State's Chief Information Officer.

II. Remarks by Governor Abercrombie –Chair Kaneshige deferred this item until the Governor arrived.

When the Governor arrived, he addressed the Council and thanked each one for agreeing to serve on the Council. He reiterated that broadband was important for the future of Hawaii and indicated that he and his administration will fully support the work of the Council and that it will be important in establishing what the State needs to do. Chair Kaneshige informed the Governor that prior to his arrival, the Council had covered discrete issues such as permitting laws, provider issues, non-traditional streamlined approaches, cost and economic factors, adoption of broadband as a critical component, and the need to look at wireless providers as part of an overall strategy, especially for rural areas.

III. Hawaii Broadband Initiative

Chair Kaneshige noted that the Council is an independent body, but that he wanted to make the Council aware of the Hawaii Broadband Initiative. The Initiative encompasses the Governor's vision of broadband for Hawaii and forms the basis for a comprehensive effort by all State departments to work together and with other groups towards the development of broadband as critical infrastructure. The Executive Memorandum dated August 23, 2011, would require that we have a partnership with the private sector, state government, the counties, and the legislature. He also said the focus is more than just speed and that as we move forward we need to ensure that we have service penetration and availability. Chair Kaneshige briefly described each of the four goals and asked for any questions. No questions were asked by the Council.

IV. Prioritization and discussion of Council goals and objectives under Act 199

Chair Kaneshige noted the four goals for the Council set out in Act 199 and asked for comments and discussion from members of the Council. He mentioned the possibility of bringing in other groups to help the Council. He said legislation created and supported by this Council should address specific needs. These short term and long term goals should dictate how this Council will proceed.

The Council briefly discussed the issue of the sharing of existing infrastructure. It was noted that this was an area previously looked at by the Broadband Task Force, and one that would be beneficial to have the

Council look at especially given the participants that represent the private, federal, state and county sectors: Clarification was provided regarding shared infrastructure by citing the City & County easements to gain access to State government buildings, allowing use of wastewater and water systems for the development of infrastructure, and making it easier for wireless providers to get onto light poles. Without this type of sharing by all, deployment would be too expensive. However, the Council needs to recognize that each county has different rules, and that there must be incentives for those who have invested monies and rules to balance the various interests affected.

Mr. Bruce said we need to look at public safety as a key enabler to drive adoption. He noted that information he received indicates that 65% of all emergency calls come via wireless connections. He also mentioned the public expectation of the ability to text 911. He stated that such deployment is expensive.

There was discussion about the need to address education in order to get people to use broadband services. Current providers reach about 95% of the State and that number is increased by wireless services, and only about 60% of the State subscribe to broadband services. The discussion included issues related to businesses needing to justify costs, the need to identify adoption as a significant issue and how speed will come with the market.

The Council then discussed efforts to create consistent policies and permitting throughout the State and to streamline permitting. The previous broadband taskforce had expressed a sense of frustration as everything was "same old, same old." There is a need for new standards to do it better and new parameters for new projects. The question is how do we change this, especially for new communities and developments. Streamlining of permitting, much like the pole attachment issues, will require a focus on legislation. If this is the direction of the Council, it will take much effort on the part of the group to work and negotiate with the counties. There was some discussion about whether legislation would be needed to address this issue and if the Council should identify the issues and categorize them to make counties aware of the other counties' processes to assist them in streamlining their processes.

There was added discussion about problems extending beyond inconsistent county permitting to other issues between government agencies, such as those raised where various agencies own a pole. Concerns were raised regarding the impact to broadband providers and the need to understand that it's a matter of dollars and capital

requirements and companies need to know the economics for planning purposes, the capital demand to achieve the Governor's vision, and be clear that providers will not invest without a reasonable return. This discussion included the need to identify economic and regulatory incentives for providers to create a sustainable model. Several broad estimates were made about what fiber to the home would cost, and that the Council will need to look at the big picture to get perspective and not get detracted by the details. The technology sector is moving very fast and that it demands that we change with it.

V. Invitation to other government agency representatives as participants on the Council

Chair Kaneshige noted that Act 199 provided for appointment of specific members, but noted that there are definite roles and opportunities for other groups to provide input, such as other government agencies and private industry parties. He asked for the Council's input on additional participants.

After some discussion, it was determined that there should be three functional sub-groupings; permitting, adoption, and economic. There was a general consensus that counterparts for the other counties, Mr. Bhagowalia, and Ms. Nagashima should be included as participants on the Council.

- (1) Permitting. The focus of this group would be to examine the permit process and related to broadband infrastructure deployment and how it could be streamlined or improved. DCCA will start working on a list of potential permits applicable to the installation and deployment of broadband infrastructure
- (2) Adoption. The focus of this group would be to examine steps to increase and/or facilitate adoption of broadband by Hawaii's citizens and businesses. Ms Nagashima indicated that DBEDT is looking at this issue and would report back to the Council. DCCA is also working on this issue in conjunction with its ARRA Broadband Planning grant.
- (2) Economic. The focus of this group would be examine economic issues and costs associated with the expansion and deployment of broadband infrastructure in the state including issues related to the addition or expansion of interisland and trans-pacific cable connections to Hawaii.

Chair Kaneshige stated that a list of members for these subgroups would be sent out with the draft minutes of the meeting, and noted that notice of

all meetings of the subgroups would be sent to all Council members and relevant persons.

VI. Future Council meeting schedule – The Council agreed that DCCA will continue to use doodle.com to schedule future meetings.

VII. Announcements – There were no announcements.

VII. Adjournment – The meeting was adjourned at 11:47 a.m.