

Baltimore City Council holds hearing to question Verizon about lack of FIOS service

By Richard Wonders, *Baltimore Internet Business Examiner*, April 23, 2010

On April 21, Baltimore City District 11 Councilman William H. Cole IV announced plans to hold a hearing regarding Verizon's inability to provide its FIOS service within the city's limits. The meeting is scheduled for Wednesday April 28 at City Hall. Verizon stated it would attend the meeting.

Verizon stated it has reached its initial goal of 18 million hook-ups, and will now focus on maintaining and improving their existing infrastructure. Some local residents took to the streets in front of Verizon headquarters on March 16, and accused the company of redlining Baltimore City. Redlining is a practice where companies make business decisions based on race and economic disparity, among other factors. Verizon denies the charge.

The decision of Verizon not to build their FIOS plant in the city raises a few concerns among residents. Comcast is the only provider of cable TV service in the city. Therefore, unlike the surrounding counties - such as Baltimore and Anne Arundel Counties - Comcast has no competition. Many believe FIOS in the city would lead to lower rates.

The second sticking point concerns internet speeds. According to Alisha Martin, Senior Manager of Public Relations, Eastern Division for Comcast, their main lines are fiber optic. These main lines feed into nodes, which in turn feed into your home or business. The connection from these nodes is co-axial copper cable. Since copper cannot transmit data as quickly as fiber optic, this greatly reduces speed from the node to the end user. Verizon on the other hand, maintains fiber optic capability all the way to the house, greatly increasing the possibility of higher internet speeds. Other factors may be involved to control broadband speeds, but those concerns will be addressed in another article.

A third point may show up in the form of deja vu during this year's race for the governor's mansion. Back in 2006, the BGE rate hike became a major campaign issue between Martin O'Malley and Bob Ehrlich, with the Public Service Commission(PSC) serving as the battleground between the candidates. A similar scenario could play out this campaign season. We have the same two candidates, and a hot button issue regarding a utility that is regulated by the PSC.

It could be a couple of interesting months as we see how this story unfolds.