

STATEMENT OF CHRIS SAMBAR

AT&T Senior Vice President, FirstNet

AT&T Inc.

Hearing: “An Update on FirstNet”

**United States Senate, Committee on Commerce, Science, and Transportation,
Subcommittee on Communications, Technology, Innovation and the Internet**

July 20, 2017

Thank you, Chairman Wicker, Ranking Member Schatz, and Members of the Committee.

I am Chris Sambar, AT&T Senior Vice President – FirstNet. AT&T is a company with a 140-year heritage of innovation that includes 8 Nobel Prizes and more than 15,000 patents and pending patents worldwide. We employ more than 200,000 people in the United States, and over the past five years, we’ve invested more in the U.S. than any other public company — nearly \$135 billion.

I appreciate the opportunity to update the Committee on the status of the FirstNet and AT&T plan to provide a nationwide broadband network for public safety. I head a group at AT&T dedicated to building and operating that network for decades to come. And I can assure you that AT&T is fully committed to delivering a dedicated, interoperable network that will give first responders the technology they need to communicate and collaborate across agencies and jurisdictions during emergencies. This opportunity aligns with our centuries-old history of serving the U.S. federal government and the public safety community.

Supporting public safety is part of our company's DNA. As a retired Naval officer and Navy SEAL, public service has been a calling throughout my adult life. I view FirstNet as a special opportunity to do it again for a company that shares a commitment to public service and public safety.

FirstNet Background and Purpose

First responders frequently lack the ability to communicate with each other and coordinate incident response activities across agencies and jurisdictions. In fact, they rely on over 10,000 radio networks for voice communications to do their job. These networks often do not interoperate, which can severely limit their ability to communicate with each other when responding to a situation, especially those involving responders from multiple areas. In addition, first responders use the same commercial wireless networks that we all do. Those networks can quickly become congested during a significant emergency. We have unfortunately witnessed how these issues hamper first responders, such as in responding to the 9/11 attacks and in other emergencies since (e.g., Hurricane Katrina).

In response, Congress recognized that we can and should do better to support our first responders and their critical mission – to save lives. And in 2012 Congress passed legislation that created the First Responder Network Authority (FirstNet) as an independent authority within NTIA to provide emergency responders with the first, nationwide, high-speed, broadband network dedicated to public safety. Congress established FirstNet to deliver a robust, highly secure, and efficient communications network that will help responses to emergencies as they unfold. And that is exactly what FirstNet and AT&T intend to deliver.

AT&T's Commitment to FirstNet

As I said, AT&T is honored to have been chosen to build and manage the FirstNet network and we are committed to bringing to bear all the necessary resources to ensure its success, just as Congress envisioned. What will that mean?

First, as part of its commitment, AT&T will spend about \$40 billion over the life of the FirstNet contract to build, operate and maintain the network. AT&T will connect FirstNet to its world-class telecommunications network valued at nearly \$180 billion, with a wireless network reaching 99.6% of the U.S. population.

I am also proud that AT&T will support FirstNet with its world-class National Disaster Recovery (NDR) Team. This team, which we established over 25 years ago, has a single mission: to recover AT&T voice and data service in areas affected by a disaster. The NDR solution combines network infrastructure and support trailers, recovery engineering software applications and a response team with both full-time and volunteer members from AT&T. We will increase our fleet with 72 new deployables to support FirstNet. Team members have spent more than 130,000 working hours on field exercises and deployments over the last two decades.

Finally, as I noted above, we have put together an internal group, which I lead, dedicated solely to FirstNet. I expect this group to grow to several hundred employees by year's end. As we ramp up our buildout of the FirstNet network, we are hiring people across the country who have a passion for public safety and for first responders.

With these resources, AT&T will create a nationwide IP-based high-speed mobile network that provides First Responders priority. “Priority” means just that -- in times of emergencies and network congestion, our network will give first responder communications precedence and, for “primary users,” preempt all other communications. In sum, the FirstNet network will meet the needs of public safety like never before, providing:

- A unique, differentiated, and highly secure network, encrypted at its core.
- Dedicated IP core with capabilities of priority and, for primary users, pre-emption.
- Interoperability across public safety agencies and jurisdictions.
- Customized customer service with dedicated 24/7 AT&T security and helpdesk operations support centers.
- A highly secure app ecosystem.
- Network Disaster Recovery resources.
- Highly competitive, flexible pricing.

Together, these capabilities will better connect first responders to the critical information they need in an emergency, keeping them out of harm’s way.

In addition, FirstNet and AT&T will innovate and evolve the network to benefit public safety.

In many cases, and often due to budgetary constraints, the public safety community has not kept up with advances in communications technology. But these advances can make a real difference in crisis situations. For example, providing emergency personnel near real-time information on traffic conditions to help determine the best route to an emergency can save critical minutes for first responders to get to an emergency. Other enhanced capabilities, such as wearable sensors

and cameras for police and firefighters, can deliver near real-time images of events, such as fires, floods or crimes. Imagine camera equipped drones and robots delivering these images. AT&T is at the forefront of IoT advances and a leader in Smart Cities technology that can monitor a city's critical infrastructure, traffic and even listen for gun shots. Solutions like these could one day enhance the capabilities AT&T can bring to first responders.

FirstNet will also bring with it increased wireless network coverage in various rural areas across the country, allowing people living in these communities to have greater access to 9-1-1 and public safety communications capabilities. In addition, AT&T will use surplus capacity on the FirstNet network to offload traffic from commercial users and improve service and coverage for all our wireless users in these areas.

FirstNet will also create jobs and drive investments across states and territories. This significant public-private infrastructure investment, and the buildout supporting it, is expected to create 10,000 U.S. jobs over the next two years. These new jobs will include positions in technology development, network deployment and operations.

AT&T could not be more excited about delivering on the promises of the FirstNet network, to the benefit of first responders and the communities they serve.

Benefits to States Opting In

Since FirstNet announced (on March 30th) that it had selected AT&T, we have jointly committed to providing states and territories all the information they need to make an informed decision to opt in the FirstNet network. Our intent all along is to ensure that states and territories do not feel alone in the process. FirstNet and AT&T are therefore committed to continual engagement and consultation with the states to help explain what FirstNet means to their stakeholders and to help ensure that it delivers what the public safety community in each state needs.

Consistent with this commitment, in early June, we conducted a two-day meeting with state officials in Dallas to discuss the network AT&T is building, the services we will deliver, as well as the delivery of state FirstNet plans. Over 200 people, including representatives from 56 states and territories attended the meeting. In addition, before and after this meeting, FirstNet and AT&T have had countless meetings with state decision makers and public safety stakeholders to answer any questions they might have. FirstNet is also conducting an education and outreach program to engage tribal leaders on the network and their public safety needs.

On June 19th, FirstNet and AT&T began providing states and territories individual state plans to enable the rapid deployment of the FirstNet network. The delivery of these state plans came 3 months ahead of schedule. States and territories can now spend up to 45 days to review the plans. We released the plans ahead of schedule not only to give states the ability to opt in early (and receive the benefits of FirstNet as soon as possible), but also to provide them extra time to exchange feedback with FirstNet before an official 90-day clock starts, likely in mid-September, for each state or territory to make an “opt-in/opt-out” decision on its state plan. I am happy to

report that on July 10th and July 11th, Virginia and Wyoming, respectively, became the first states to publicly announce their intent to opt in, and Arkansas and Kentucky have since joined them.

There are significant and immediate benefits for states to opt in the FirstNet network.

- Opting in alleviates long-term risks associated with funding, building and maintaining a network for 25 years that interoperates with the FirstNet network.
- Once a state or territory opts in, public safety entities in that state or territory will be able to purchase services with key network features, such as quality of service and priority access to voice and data across AT&T's LTE network, at competitive rates.
- Preemption over the AT&T LTE network for primary users is expected by year's end. This means fire, police and EMS with FirstNet service will have dedicated access to the network when they need it.
- As states and territories join, investment in infrastructure and job creation will follow.
- Rest assured, once a state or territory joins in, FirstNet and AT&T will continue ongoing consultations with the state or territory to ensure that the solutions we offer best serve the public safety community.

AT&T's Commitment to Diversity

Finally, I would also like to take this opportunity to stress AT&T's commitment to meeting or exceeding all requirements to subcontract work to veterans, minority-owned, and woman-owned businesses. AT&T has a long history of supporting diverse businesses and communities. AT&T is among the leading companies in identifying and doing business with diverse suppliers. Last year, we spent \$14.2 billion with diverse suppliers, representing nearly 19% of our total supplier expenditures. It is not surprising that AT&T has been ranked No. 1 for three consecutive years

in DiversityInc.'s "Supplier Diversity Survey." We employ more than 11,000 veterans. In 2013, AT&T announced it would hire 10,000 veterans within the next 5 years, which was met at the end of 2015, well ahead of schedule. AT&T is doubling that commitment and pledged to hire an additional 10,000 veterans by 2020. In 2016, AT&T's U.S. workforce was 32% women and 43% people of color. In 2016, nearly 31.5% of our new hires were women, and 56% people of color. We recognize that this diversity benefits our company, our customers, and our employees.

I look forward to continuing this important dialogue as FirstNet moves forward. I welcome your questions.

Thank you again Mr. Chairman for this opportunity.