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Committee on Commerce, Science, and Transportation  
United States Senate

A hearing entitled:  
"An Update on FirstNet"

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Introduction

Chairman Wicker, Ranking Member Schatz, and all Members of the Subcommittee, I would like to thank you for the opportunity to appear here today to provide an update on the progress we are making at FirstNet toward the deployment of an interoperable nationwide public safety broadband network (NPSBN or Network). I last testified before the subcommittee almost a year ago and spoke about possibilities. Today, the message that I bring to you is one of tangible progress and development, including the award of the nationwide contract, the delivery of initial State Plans, and a defined path forward to the successful deployment of the FirstNet network.

Progress towards a Network

FirstNet intends to provide a cutting-edge wireless broadband communications system, with priority and pre-emption, to millions of first responders at the local, state, tribal, and federal levels across all states, territories, and the District of Columbia, consistent with the vision laid out in the Middle Class Tax Relief and Job Creation Act of 2012 (P.L. 112-96) (Act). By enabling the Network's deployment, FirstNet will provide a dedicated, ubiquitous solution that helps solve public safety's decades-long interoperability and communications challenges, which includes advanced communications services, devices, and applications to help first responders and other public safety personnel make communities safer.

FirstNet's goal of deploying the Network, and thereby meeting the needs of first responders, is a matter of critical importance for public safety, and today we are closer than ever before to accomplishing this goal. Since its inception, FirstNet has taken the necessary steps to build an organization, execute a vigorous consultation and outreach strategy, develop and release a comprehensive request for proposals (RFP), select an experienced and proven wireless industry leader for a first-of-its-kind public-private partnership, and lay the groundwork for a successful deployment of the NPSBN. Much has been accomplished.

However, as it is with any unprecedented undertaking, every step forward presents new challenges and requires identification of innovative solutions. The past three years have involved hundreds of thousands of working hours to solve the various challenges FirstNet has faced. I am proud to say that today we have an organization of people who have approached these challenges head on and advanced the mission with a clear and unwavering dedication to public safety. The organization is dedicated to fulfilling FirstNet's responsibilities to the public safety community; creating a culture of hard work, openness, and transparency; developing a successful public-private partnership; and continuing a robust

consultation and outreach program to educate, inform, and obtain input from FirstNet's partners in the states and public safety stakeholders.

### The Selection of AT&T

At a signing ceremony on March 30, 2017, Secretary of Commerce Wilbur Ross announced FirstNet's award of the nationwide contract to AT&T. The attendees included AT&T CEO Randall Stephenson, Federal Communications Commission (FCC) Chairman Ajit Pai, Members of Congress and staff, FirstNet Board members, FirstNet leadership, and, most importantly, public safety representatives.

Prior to the ceremony, the FirstNet Board voted unanimously to authorize the award. With the Board's authorization, FirstNet and the Department of the Interior, FirstNet's procurement partner, made the 25-year award to AT&T based on the determination that AT&T's proposal presented the overall best value solution for FirstNet and public safety.

We were able to move forward with an award to AT&T after a March 17, 2017, decision by the U.S. Court of Federal Claims to deny a protest filed by one of the unsuccessful bidders.

### The Benefits of a Public-Private Partnership

Before listing the details of the solution FirstNet and AT&T are delivering to public safety, it is important to understand the benefits of the public-private partnership. By leveraging private sector resources, infrastructure, and cost-saving synergies to deploy, operate, and maintain the Network, the NPSBN can be deployed quickly, efficiently, and far more cost-effectively than any other model.

Congress foresaw the benefits such a partnership could offer and gave FirstNet the tools necessary to engage the private sector, thereby allowing the private sector to do what it does best - leverage the market to determine the best deal at the best price, while ensuring that a dedicated, interoperable Network is built to public safety's requirements. The fact remains that neither party – FirstNet nor AT&T – on its own could build a network like the FirstNet Network. It would be too expensive and too burdensome. A public-private partnership ultimately will provide a Network that benefits public safety in a manner that would have been impossible to achieve if left solely to the private sector or federal government.

FirstNet is confident that the Network will also provide many specialized features. In addition to robust rural coverage, public safety will have access to FirstNet-dedicated deployable equipment for use during disasters and pre-planned events, as well as in-building solutions – because FirstNet recognizes that first responders' communications do not stop at the curb.

The solution also includes a customer service center dedicated specifically to public safety – available 24/7, 365 days a year; a dedicated FirstNet core with built-in redundancy to provide end-to-end cybersecurity; and an entire eco-system of devices, apps, and tools for public safety, including a FirstNet app store. Each of these features will be a first for public safety as they are not currently available on any network today.

### Details of the Partnership with AT&T

The FirstNet and AT&T public-private partnership is a significant investment in the communications infrastructure that public safety desperately needs for day-to-day operations, emergency and disaster

response and recovery, and securing of large events. Some of the key broad terms of this 25-year agreement are:

- FirstNet will provide 20 MHz of spectrum and success-based payments of up to \$6.5 billion over the next five years to support the Network buildout; and in return AT&T will deploy and operate a nationwide high-speed mobile broadband network and support the digital communications ecosystem for public safety over 25 years.
- AT&T will spend a minimum of \$40 billion over the life of the contract to build, operate, deploy, and maintain the Network, and together with FirstNet will help to ensure the Network evolves with the needs of public safety and advances in technology. Additionally, AT&T will connect FirstNet users to the company's current telecommunications network assets, valued at more than \$180 billion.
- AT&T will utilize FirstNet's spectrum when not in use by public safety for other, commercial purposes. AT&T will prioritize public safety users over any other commercial users on the Network and over all of AT&T's commercial LTE bands, including implementing a pre-emption feature for primary FirstNet users.
- FirstNet, as part of the Department of Commerce, and the Department of the Interior, as our contracting authority, will manage and oversee the contract to ensure AT&T delivers innovation, technology, and customer care to public safety through various mechanisms, including subscriber adoption targets, rural coverage obligations, milestone buildouts, disincentive fees, and other mechanisms.

The benefits for public safety and cost-savings to taxpayers are clear. If the federal government alone were to build, maintain, and operate this mission critical Network, the Government Accountability Office (GAO) has estimated it could cost up to \$47 billion over ten years.<sup>1</sup>

With this partnership approach, FirstNet and AT&T do not need any additional federal funding to build and operate the Network – it is a fully-funded, self-sustaining Network. In return, America's public safety responders will receive specialized services far above and beyond what they have today over a first-class broadband network dedicated to their communications needs. In addition, this innovative public-private partnership will create thousands of new jobs and ensure public safety has a voice in the growth and evolution of the Network.

### How the Network Will Help Public Safety

The ability to communicate seamlessly across jurisdictions is critical for law enforcement, fire, and emergency medical services (EMS) when securing large events or responding to emergencies and disasters. In those instances, networks can become overloaded and inaccessible, limiting responders' use of vital communication technologies, such as smartphones and applications dedicated to public safety services.

By providing unfettered, uninterrupted access to wireless spectrum, the NPSBN will help improve response times and situational awareness for public safety from coast-to-coast, every state, territory, and across tribal and federal land, in both rural and urban areas, leading to safer and more secure communities, and first responder safety.

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<sup>1</sup> U.S. Government Accountability Office, GAO-15-407, Public-Safety Broadband Network: FirstNet Should Strengthen Internal Controls and Evaluate Lessons Learned 31 (2015), <https://www.gao.gov/products/GAO-15-407>.

The market certainty the Network will provide through a long-term commitment, scale, and capacity will enable private sector investment and innovation for advanced life-saving technologies, tools, and services, such as:

- Applications that allow first responders to reliably share videos, text messages, photos, and other information during incidents in near real-time;
- Advanced capabilities, like camera-equipped connected drones and robots, to deliver images of wildfires, floods, or other events;
- Improved location services to help with mapping capabilities during rescue and recovery operations; and
- Wearables that could relay biometric data of a patient to the hospital or alert when a fire fighter is in distress.

Network technology will also be tested and validated through the FirstNet Innovation and Test Lab, located in Boulder, CO, to ensure first responders have the public safety grade, proven tools they need and can trust during disasters and emergencies.

### State Plans

On June 19, FirstNet and AT&T delivered initial State Plans to the states and territories for comment three months ahead of schedule.<sup>2</sup> This marked a major milestone in the deployment of FirstNet.

Since 2013, FirstNet has worked hand-in-hand with the states, territories, localities, federal authorities, tribes, and the public safety community to make sure the Network is specifically built for their needs. FirstNet's consultation efforts included more than 140,000 engagements with public safety stakeholders nationwide, and the collection of data from states and territories that accounted for more than 12,000 public safety agencies representing more than 2 million public safety personnel.

Developed with this input, the customized State Plans outline the coverage, features, and mission-critical capabilities FirstNet and AT&T will bring to first responders and other public safety personnel. States have the opportunity to identify priorities and concerns related to Network coverage (including in rural areas) and services. FirstNet has also encouraged states to solicit feedback from the tribes in each state to ensure their priorities and concerns were incorporated in the State Plans. Based on this feedback, FirstNet and AT&T will determine how to evolve the solution, where possible, to address these requirements.

In conjunction with the release of the initial State Plans, the partnership also launched a public website: [FirstNet.com](http://FirstNet.com). This website provides information about the FirstNet solution, the unique value of the FirstNet Network to public safety, and how public safety entities may subscribe to FirstNet once a state or territory opts in. The site will host information on quality of service, priority and preemption; local control features; the applications store; devices and accessories for FirstNet; and coverage and rate plans.

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<sup>2</sup> As of July 20, 2017, three territories (Guam, Northern Mariana Islands, and American Samoa) have not yet received their initial plans. Delivery of State Plans for these territories will occur as soon as we have more comprehensively documented a solution that will bring superior value and capabilities to the public safety entities in these territories.

## Future Timelines

The delivery of the initial State Plans kicked off the next phase of the FirstNet Strategic Roadmap toward network deployment. This key development gives states and territories the opportunity to review the State Plan for up to 45 days. During this time, they have the opportunity to ask questions of and provide comments back to FirstNet and AT&T. The state single point of contact (SPOC) is responsible for consolidating the feedback from their respective state and providing it to FirstNet. This process allows the SPOC to continue to be the primary point through which information about Network planning flows in discussions with the state or territory.

FirstNet and AT&T plan to respond within 45 days to any questions or comments received by each state and territory during the review process. Following the conclusion of this period, likely in mid/late September 2017 for those states and territories that choose to make use of the full State Plan review period to ask questions and provide comments, FirstNet will provide notice to the governor, per the Act. The notice to the governor will include notification that the RFP process is complete, the final State Plan, and the funding level for the state as determined by the National Telecommunications and Information Administration (NTIA) for potential state Radio Access Network (RAN) construction grants in the event the state opts out. This will initiate the 90-day clock that the Act provides for each state or territory governor to make an “opt in/opt out” decision on its State Plan. We expect the deadline to complete this decision in mid/late December 2017.

Since the release of initial State Plans, FirstNet and AT&T have been actively engaging with the states and territories to support their review of the State Plan and answer questions. As of today, we have conducted in-person engagements with 48 states and territories.

## The Governors' Decision

The decision that a governor faces is one that will have profound consequences on the ability of public safety in his or her state or territory to gain access to mission critical broadband.

Opt in:

A governor's decision to opt in will enable FirstNet and AT&T to begin the process of delivering services to that state or territory's public safety community. It is a decision that will also drive infrastructure investments and job creation.

If a state opts in or takes no action on the State Plan within 90 days of receiving notice, FirstNet will issue a task order to begin deployment of the RAN portion of the FirstNet Network in the state at no cost to the state. States do not have to wait the full 90 days to make an opt in decision and several states have already provided notice of their intention to opt in. The opt in path is a low-risk option that will support faster delivery of services to the state's public safety community and help create an interoperable, highly secure, sustainable Network for public safety. The earlier a state opts in, the sooner public safety responders in that state will have access through AT&T's enhanced communication capabilities to help better serve and protect their communities.

On July 11, 2017, the Commonwealth of Virginia became the first state to submit a letter of intent to opt in to the FirstNet Network. Shortly thereafter Wyoming became the first state in the West to send a letter of intent to opt in. We look forward to working with Virginia, Wyoming and all states in moving forward with deploying the Network.

## Opt out:

If the state elects not to participate in the FirstNet RAN deployment, it must provide notice to FirstNet within 90 days of receiving notice of its State Plan from FirstNet, and within 180 days of such notice to FirstNet, the state must develop and complete an RFP for the state RAN.<sup>3</sup> Subsequently, it must submit an alternative plan to the FCC for the construction, maintenance, operation, and improvement of the RAN in the state within 60 days from RFP completion. The state RAN must be interoperable with the Network and comply with FirstNet's requirements and standards for the Network. Before the state's RAN deployment can begin, the Federal Communications Commission (FCC) must approve the alternative plan, and, if approved, the state must then apply to the NTIA for the right to enter into a spectrum capacity lease with FirstNet, and ultimately agree to the terms of such a lease with FirstNet, and may also apply to the NTIA for a state RAN construction grant.

Opt out states will assume all technical, operational, and financial risks and responsibilities related to building their own RAN for the next 25 years. Given the statutorily mandated processes, it is possible a state pursuing opt out will be at least two years behind states that opt in.

It is important to note that if a state or territory wishes to opt out, FirstNet will do everything we can to make that opt out process a success. Public safety cannot afford to have areas of no service throughout the country. We are encouraging states and territories to look at all the information in the State Plans to ensure that they fully understand the risks and requirements associated with opting out. We are confident that each State Plan will deliver the coverage, value, and experience states and territories expect for their first responders, bringing us closer to making the cutting-edge Network and technologies that public safety has been asking for a reality.

## Conclusion

For more than three years, FirstNet has worked hand-in-hand with our partners in the states and territories to develop a Network that meets the needs and objectives of our nation's first responders. After thousands of meetings and countless discussions with public safety, we feel confident about the overall Network solution and individual plans that we have proposed for each state and territory because they have been driven by and reflect public safety's input throughout the nation.

FirstNet has made a lot of progress over the past year. We successfully completed a comprehensive nationwide RFP process, which included prevailing in a protest action; awarded a 25-year contract to AT&T - an innovative private sector technology partner who has 140 years of experience serving the public safety community; and worked effectively and efficiently with AT&T to deliver initial State Plans to governors three months ahead of schedule. We are now focused on preparing for the deployment of the Network in opt in states and territories and the next crucial phase of the project - public safety user adoption.

While there has been much success, we still have work to do. As the GAO highlighted, there are areas for improvement, and FirstNet is dedicated to continuing to strive for excellence in every area.<sup>4</sup>

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<sup>3</sup> These plans release on June 19 provide the states and territories the opportunity to exchange feedback with FirstNet before an official 90-day clock starts for each state or territory governor to make an "opt-in/opt-out" decision on its State Plan. This clock will only begin in September.

<sup>4</sup> U.S. Government Accountability Office, Public Safety Broadband Network: FirstNet Has Made Progress Establishing the Network, but Should Address Stakeholder Concerns and Workforce Planning (2017).

Through cooperation with the Department of Commerce, NTIA, the FCC, and other federal partners, FirstNet has been able to achieve a great deal over the past year. Moving forward, we plan to continue to leverage these partnerships.

Ultimately, the most important action that FirstNet must take is to continue to listen to public safety. You have heard me say time and again that this is their Network. We at FirstNet have been entrusted by public safety to deliver what they need in order to keep us safe. It is this belief that drives us at FirstNet and will ensure that we accomplish what public safety deserves – excellence in service, reliability, and performance.