

LA to issue RFP for citywide free broadband access program

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Credit: Wikipedia.

(Phys.org) —Last month, Steve Reneke, IT Agency GM for the city of Los Angeles, offered a proposal to the city council outlining a plan to issue a Request for Proposals (RFP) for installing underground fiber to every home, business and government facility inside the city limits, along with free Internet access. This past week, the city council



approved the plan. That means that construction could begin as early as next year with new users coming online not long after. What's most surprising about the RFP, perhaps, is that it calls for the winning vendor to pay for it all.

On its face, it might seem like vendors such as AT&T, Verizon, etc. might have little incentive to build a huge fiber network in a major city. After, all, most people in the city already have Internet access. Others might worry that the city is instigating a monopoly for a single vendor. The reality is that there is a huge incentive and there won't be a monopoly. The incentive, Reneke believes, is for a vendor to add more services to user plans. Underground fiber will be able to carry not just Internet, but television and phone services as well. This will allow the vendor to offer triple-play packages, where customers sign up for multiple services to gain lower costs with a bundled package. The RFP also calls for unrestricted access to the fiber network by other vendors, who will have to pay for it of course. The winning vendor then, will likely more than recoup their original investment, and could wind up with a cash-cow for years to come. The city wins too because the network will extend to families that cannot currently afford broadband access, a fact that has become more prominent as Los Angeles area schools have purchased iPads for students to use as part of their schoolwork.

The news in LA comes on the heels of announcements by Google of new city broadband projects, which the company has been building in various cities throughout the country. Google only offers residential service, however, and to date has not responded to RFP's, thus it's not considered to be in the running as a candidate vendor for LA.

In his proposal paper, Reneke suggested that the RFP would outline 2 to 5Mbps free service to anyone in the city with faster options (up to a 1 gigabit) for those willing to pay for it. He said he expects the project to



cost the winning vendor \$3 to \$5 billion dollars. It will likely take three months for the vendors to respond to the RFP and an additional nine months for the city to choose a winner.

More information: <u>cityclerk.lacity.org/lacitycle ...</u> <u>ord&cfnumber=13-0953</u> <u>clkrep.lacity.org/onlinedocs/2 ... rpt_ita_09-03-13.pdf</u>

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