

False Flags and the FCC's Broadband Map

Current maps exclude nearly every small business in the rural U.S. That's a big deal.

By Jonathan Chambers / *Conexon*

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What do a Mexican restaurant, a Baptist Church, an orthodontist's office and a school bus barn have in common? I'll take suggestions for a good punchline. Unfortunately, all I've got is this: when Conexon submitted these establishments as broadband serviceable locations (BSL) in rural Georgia, they were rejected.

Across the country, restaurants, car dealers, shops, grocery stores, pharmacies, independent schools, rural libraries and countless small businesses were rejected. They are not part of the location fabric, defined as locations that could receive mass-market broadband.

The bottom line: These hundreds of thousands, perhaps millions, of locations will not appear on the FCC's new broadband maps. According to the FCC, "The locations in the fabric that have a BSL Flag of 'False' are structures that have or should have broadband service but likely do not take or would not take mass-market service (and therefore do not fall within the definition of a BSL) based on available data. Examples of such locations include certain Community Anchor Institutions and large enterprises."

UNDERSTANDING COST MODELS

About a decade ago, when FCC staff were putting together cost models for building fiber networks, a determination was made not to include large businesses in the calculations.

Though fiber would be built for large businesses, the FCC assumed that such firms could pay for dedicated access and thus would not need to be part of the modeling process.

Schools, libraries and health care institutions had their own funding programs, so these too were excluded. Thus, only housing units and small businesses were part of the Connect America Cost Models.

LACK OF SMB VISIBILITY

The FCC's consultant for the cost model was CostQuest. I know the CostQuest team. It is a first-rate, technically proficient group. CostQuest did not possess a database of the locations of all small businesses in the country. It licensed such a database, which turned out to be inaccurate and distorted the Connect America Fund and Rural Digital Opportunity Fund programs. But that's another topic for another time.

For the Broadband Location Fabric, the FCC used CostQuest to map the locations for the new broadband maps. Once again, the decision was made to exclude large enterprises and community anchor institutions.

Once again, CostQuest, not possessing such a database, licensed one. As I understand the methodology, businesses with a certain number of employees are treated as large enterprises, and the location fabric excludes such businesses from the broadband map.

Pizza Inn Restaurant	1037908823	987 S MAIN ST	BAXLEY	GA	31513	2	FALSE
Walmart Supercenter	1037912050	980 W PARKER ST	BAXLEY	GA	31513	1	FALSE
Car Dealership - Woody Folsom Chrysler/Dodge	1037915693	1655 GOLDEN ISLE W	BAXLEY	GA	31513	1	FALSE
Appling Technical Education Cntr	1037914223	1334 GOLDEN ISLE W	BAXLEY	GA	31513	1	FALSE
CVS Pharmacy	1037910208	19 E PARKER ST	BAXLEY	GA	31513	1	FALSE
Residence w/ separate outbuilding (#2)	1037912016	2117 BLACKSHEAR HWY BLDG 2	BAXLEY	GA	31513	1	FALSE
Village Pizza	1037909165	126 N MAIN ST	BAXLEY	GA	31513	1	FALSE
Baxley & Appling County Pellets, LLC (manufacturing)	1037914410	248 SWEETWATER DR	BAXLEY	GA	31513	1	FALSE
Faye's Consignments	1037920979	125 E PARKER ST	BAXLEY	GA	31513	2	FALSE
Appling County Courthouse	1037915618	36 S MAIN ST	BAXLEY	GA	31513	1	FALSE
Strip Mall - Cricket Wireless, Kobe Sushi, Mexican Rest	1037915806	118 AZALEA RD	BAXLEY	GA	31513	16	FALSE
D & K Diner Restaurant	1037916158	489 N BLVD	BAXLEY	GA	31513	1	FALSE
Dairy Queen Grill & Chill	1037909564	645 N BLVD	BAXLEY	GA	31513	1	FALSE
Multitenant commercial - Hibbett Sports, Dollar Tree, Superm	1037921027	106 E PARKER ST	BAXLEY	GA	31513	15	FALSE
Medical Complex: multiple doctor's offices	1037911997	105 E TOLLISON ST	BAXLEY	GA	31513	7	FALSE
Dick's Wings & Grill	1037915349	895 S MAIN ST	BAXLEY	GA	31513	4	FALSE
No Information	1037914989	417 ALTAMAHA SCHOOL RD	BAXLEY	GA	31513	1	FALSE
No Information	1037912224	101 W PARK DR	BAXLEY	GA	31513	1	FALSE
No Information	1037911224	348 PINE ST	BAXLEY	GA	31513	1	FALSE
No Information	1037912541	864 BARNES ST	BAXLEY	GA	31513	1	FALSE
No Information	1037915832	153 WALNUT ST	BAXLEY	GA	31513	1	FALSE
Personal Care Home	1037911296	52 N OAK ST	BAXLEY	GA	31513	8	FALSE
Baxley Dialysis Clinic	1037909299	539 FAIR ST	BAXLEY	GA	31513	1	FALSE
Key West Inn - Baxley (Hotel)	1037913967	53 HERITAGE ST	BAXLEY	GA	31513	1	FALSE
Ten Mile Fire Dept	1037913353	5499 LENNOX RD	BAXLEY	GA	31513	1	FALSE
1600 sq ft home/Red Oak Vol FD	1037912342	59 FIRE STATION RD	BAXLEY	GA	31513	1	FALSE
Dollar General	1037914768	663 E PARKER ST	BAXLEY	GA	31513	2	FALSE
Community Bank of Georgia	1037914004	700 W PARKER ST	BAXLEY	GA	31513	1	FALSE
3-Car/Bay Garage - Randomly Located	1037912938	7147 BUCK HEAD RD	BAXLEY	GA	31513	1	FALSE
Pineland Bank	1037912951	72 E PARKER ST	BAXLEY	GA	31513	1	FALSE
Appling Counseling Center	1037921034	755 S MAIN ST	BAXLEY	GA	31513	1	FALSE
Checker's/Rally's Burgers	1037910804	1010 W PARKER ST	BAXLEY	GA	31513	1	FALSE
Private Residence - Home Dwelling	1037920126	104 AUBURN ST	BAXLEY	GA	31513	1	FALSE
Smile Doctors Orthodontics	1037914085	1051 E PARKER ST	BAXLEY	GA	31513	1	FALSE
Four Rivers Veterinary Center	1037910586	1069 E PARKER ST	BAXLEY	GA	31513	1	FALSE
First African Baptist Church	1037908966	106 N MAIN ST	BAXLEY	GA	31513	2	FALSE
Private Residence - Home Dwelling	1037915103	10 MILES ST	BAXLEY	GA	31513	1	FALSE
Southern Nuclear Operating Company	1037917219	11028 HATCH PKWY S	BAXLEY	GA	31513	1	FALSE
Appling County Dept of Family Services	1037908650	1160 W PARKER ST	BAXLEY	GA	31513	1	FALSE
James Swain - Progressive Insurance	1037909809	11 HARLEY ST	BAXLEY	GA	31513	1	FALSE
Lawter Inc (Plastic Raw Materials)	1037914034	1202 E PARKER ST	BAXLEY	GA	31513	1	FALSE
Appling Christian Academy	1037909390	1479 HATCH PKWY S	BAXLEY	GA	31513	1	FALSE
Down to Earth Trailers Sales	1037921370	1605 E PARKER ST	BAXLEY	GA	31513	1	FALSE
Appling County Recreation Complex	1037909640	1675 COUNTY FARM RD	BAXLEY	GA	31513	1	FALSE
Kids Academy of Baxley	1037915409	202 PENDLETON ST	BAXLEY	GA	31513	1	FALSE
Bailey Boys Clothing Manufacturing Plant	1037912631	202 WALNUT ST	BAXLEY	GA	31513	1	FALSE
Truck & Trailer Service Center	1037910064	216 BLACKSHEAR HWY	BAXLEY	GA	31513	2	FALSE
Southern Crop Insurance	1037908632	259 E PARKER ST	BAXLEY	GA	31513	1	FALSE
Fire Department	1037914916	282 E PARKER ST	BAXLEY	GA	31513	2	FALSE
B & F Restaurant	1037915319	312 W PARKER ST	BAXLEY	GA	31513	1	FALSE
Harris Waste Management	1037921389	340 JEKYLL RD	BAXLEY	GA	31513	1	FALSE
Appling County Board of Health - "Family Connection"	1037913653	34 WALNUT ST	BAXLEY	GA	31513	1	FALSE
School Bus Barn - Garage	1037914803	396 BLACKSHEAR HWY BLDG 2	BAXLEY	GA	31513	1	FALSE
Appling County High School	1037912256	482 BLACKSHEAR HWY	BAXLEY	GA	31513	1	FALSE

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Table 1. The designation "FALSE" in this table means the location is not a broadband serviceable location under the Infrastructure Act.

But there is a flaw in how the data is used. The data set aggregates all employees at every location and counts individual locations as one large enterprise. Effectively, each restaurant in a chain is treated as if every employee works in every restaurant. Each branch in a bank is treated as if every employee works in every branch.

You get the idea. Every small part of a chain is treated as if it were a large enterprise. The result is these locations are excluded from the location fabric.

GO DEEPER

It makes sense to exclude large enterprises from the calculations of rural broadband, right? And to follow

the same approach with the new location-based broadband map, right? Wrong.

Hundreds of thousands – maybe millions – of data points were wrong. According to the FCC, “[Though] these locations may subscribe to mass-market services in some instances, we currently lack data that would enable us to make

reliable determinations of when this is the case.”

Such an approach is precisely wrong for businesses in the rural U.S. To provide a concrete example, I will share results from queries into the location fabric. As with the cost models, the public inexplicably does not have access to this data.

EXAMPLE: BAXLEY, GEORGIA

Baxley is the county seat in rural Appling County, with a population of 4,942 according to the 2020 census:

- We found 54 locations in Baxley that are not counted under the FCC’s approach to mapping.
- Retail shops, restaurants, independent schools, churches and small business offices would likely take a mass market service, especially the gigabit and multi-gigabit services fiber optic networks offer.

- The broad assumption by the FCC that every business establishment in the rural U.S. would buy dedicated internet access is passing strange.

The designation “FALSE” in Table 1 means the location is not a broadband serviceable location under the Infrastructure Act. Congress punted the definition of the BSL to the FCC. Even though Congress deferred to the FCC, I’d be surprised if any member of Congress meant that a Baptist church or a small store or restaurant in a rural area should not be counted. (Are any rural members of Congress paying attention?)

WHY IT MATTERS

Does it matter whether the FCC misses 40 or 50 locations in every rural town and community on the broadband map?

Suppose one’s focus for mapping is the 140 million or so locations, mostly in urban and dense suburban areas. Probably not. But since the first

use of this map is the determination of unserved locations, mostly in rural areas, it certainly matters.

Conexon’s initial analysis found that the location fabric misses more than 10 percent of rural locations on farms and in trailer parks and new subdivisions.

THE FINAL WORD

Excluding nearly every small business in the rural U.S. is a big deal. Suppose an entity counting locations in the rural U.S. is undercounting farms and trailer homes and excluding small businesses. If that happens, the most underserved segments of the most underserved parts of the country are missed.

Such an approach distorts the picture of broadband availability in the rural U.S. and will distort the funding allocation.

When Conexon asked whether the FCC would correct its errors, it was told to submit challenges. The FCC has neither the time nor the capacity to adjudicate hundreds of thousands of challenges. The flaws are systemic and should not depend on the challenge process.

Sight unseen, the National Telecommunications and Information Administration has already decided that it cannot use the first iteration of the FCC’s maps for the Broadband, Equity, Access, and Deployment (BEAD) Program allocation. There is still time to correct this fundamental flaw in the FCC’s approach to rural small businesses and anchor institutions. ❖

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