

June 10, 2019

Ajit Pai, Chairman  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW  
Washington, DC 20554

***Re: Accelerating Broadband Deployment, Broadband Deployment Advisory Committee (BDAC), GN Docket 17-83; Accelerating Wireline Broadband Deployment by Removing Barriers to Infrastructure Investment, WC Docket No. 17-84; Accelerating Wireless Broadband Deployment by Removing Barriers to Infrastructure Investment, WT Docket No. 17-79***

Dear Chairman Pai:

The National Rural Electric Cooperative Association (NRECA) appreciates the attention that the FCC has devoted to bridge the digital divide across America. The agency is to be commended for many of its actions, such as opening the CAF II reverse auction to a broad set of stakeholders, including electric cooperatives. However, we are concerned that the agency has also been advised inappropriately to consider an issue that is not a barrier to rural broadband deployment – pole attachment rental rates.

To help achieve a greater understanding of pole attachment issues, NRECA has prepared the attached white paper examining the effect of electric cooperative pole attachment rates on rural broadband deployment. It finds that pole attachment rates are **not a barrier** to rural broadband deployment. In fact, pole attachment rental rates are de minimus in relation to the overall cost of deploying broadband. Other factors, primarily low population density and large capital expenditures, are more significant factors. This fact has been supported by analyses by the Virginia State Corporation Commission, a Virginia Hearing Examiner, the Tennessee Broadband Report, the U.S. GAO, and the Congressional Research Service.

If pole attachment rates were a major factor in rural deployment, one would expect broadband to be much more readily available in rural areas served by investor owned utilities (IOUs). NRECA analysis confirmed previous government findings that broadband is not significantly more readily available in rural IOU service areas. Cost-based cooperative pole rental rates represent significant savings to attachers compared to deploying and maintaining their own infrastructure.

In numerous instances, electric cooperatives have offered free or reduced pole attachment rates to communications companies if they agree to serve all their cooperative service territory. Unfortunately, no telecommunications or cable provider has taken a cooperative up on their offer. This is further evidence that pole attachment rates are not the determining factor in the decision to deploy broadband in rural areas.

In addition, NRECA and its members were concerned when the FCC's Broadband Deployment Advisory Committee (BDAC), of which I am a member, adopted a Model Code for States in December that

called for electric cooperatives to be regulated under that code. This recommendation was made despite congressional and FCC recognition that the self-regulating local control of electric cooperatives warrants excluding electric cooperative poles from one-size-fits-all federal pole attachment regulation. The model code recommends that states implement a similar one-size-fits-all model. It also ignores the fact that not a single one of the 25 state small cell/5G laws enacted regulates attachments to electric cooperative poles.<sup>1</sup>

NRECA and America's electric cooperatives in 47 states remain committed to the goal of bridging the digital divide and are essential partners to achieve that goal. To that end, we look forward to working with you as the FCC establishes the rules for its recently announced Rural Digital Opportunities Fund. We urge you not to endorse the flawed Model Code for States adopted by the BDAC and continue to uphold the congressional recognition that the unique local control of electric cooperatives warrants excluding cooperatively owned poles from federal regulation.

If you have questions about the attached white paper or wish to discuss these issues with us further, please contact Brian O'Hara, Senior Director Regulatory Issues – Telecom & Broadband at (703) 907-5798 or [brian.ohara@nreca.coop](mailto:brian.ohara@nreca.coop).

Sincerely,



Jim Matheson  
CEO, NRECA

Cc. Commissioners Rosenworcel, O'Rielly, Carr, and Starks

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<sup>1</sup> States enacting small cell/5G laws to date that did not apply to electric cooperative poles: AR, AZ, CO, DE, FL, GA, HI, IA, IL, IN, KS, MI, MN, MO, NC, NE, NM, OH, OK, RI, TN, TX, UT, VA and WV. Many of these laws excluded electric utilities more broadly.