

February 12, 2026

The Honorable Howard Lutnick
Secretary
U.S. Department of Commerce
1401 Constitution Ave. NW
Washington, D.C. 20230

Dear Secretary Lutnick,

I write today to express serious concern with the National Telecommunications and Information Administration's (NTIA) recent decision to apply Federal Communications Commission (FCC) pole attachment rules, rates, and timelines to electric cooperatives as a condition of participation in the Broadband Equity, Access, and Deployment (BEAD) program. I urge you to ask NTIA Administrator Roth and BEAD staff to strike Section 13.D.1.e on page 10 from the General Terms and Conditions for the NTIA BEAD Program Funds.¹

Member-owned, not-for-profit electric cooperatives constitute a vital part of the electric utility industry, providing reliable, affordable power to 42 million rural consumers across 48 states. Electric cooperatives are built by – and belong to – the rural communities they serve and are uniquely suited to meet local electric and broadband connectivity needs. Today, more than 200 electric cooperatives are involved in broadband deployment efforts, bringing connectivity to areas that other service providers have deemed too costly to serve.

62 of these electric cooperatives across 27 states are stepping up to provide broadband service to over 120,000 locations through participation in BEAD, offering reliable high-speed connectivity to some of the most expensive and challenging parts of the country. It is troubling that NTIA seeks to require, as a condition of federal funding, that these cooperatives adhere to FCC pole attachment rules from which Congress explicitly exempted them in Section 224 of the Communications Act. That NTIA plans to require this adherence across cooperative subgrantees' entire footprint and not just in BEAD-funded areas is even more troubling.

Congress exempted cooperatives from Section 224 for good reason. The exemption is critical to the electric cooperative business model and the safe and reliable delivery of power to one out of every eight Americans – including those serving on more than 140 military installations. Cooperatives provide service in the most remote areas of the country, with expansive service territories and low population densities. Using data from the U.S. Energy Information Administration and other sources, NRECA estimates that rural electric cooperatives serve an average of 8 consumers per mile of line and collect annual revenue of approximately \$19,000 per mile of line. In contrast, for the rest of the electric industry, the averages are 32 customers and \$79,000 in annual revenue per mile of line. Electric

¹ General Terms and Conditions for the NTIA Broadband Equity, Access & Deployment Program (BEAD) Program Funds, subsection 13.D.1.e, p. 10 (rel. Jan. 12, 2026).

cooperatives' cost-based pole attachment fees reflect this reality and are tailored to the specific geographic and demographic characteristics of each electric service territory. With the Section 224 cooperative exemption, Congress deemed the local decision-making process appropriate and adequate in balancing the communications needs of rural communities with the safety and reliability needs of the electric utility.

Rather than accomplishing the stated goal of promoting efficient permitting and deployment, NTIA's decision has caused significant confusion and may prompt cooperative subgrantee program departures. The recently updated Terms and Conditions fail to recognize that most, if not all, state broadband offices lack the legal authority to require electric cooperatives to comply with FCC pole regulation requirements. The Terms and Conditions similarly ignore the fact that cooperative poles in 24 states *are already regulated by the states themselves or federally regulated by the Tennessee Valley Authority*. While rates and terms vary, as of today, there are at least two states – Oklahoma and Georgia – that charge \$1.00 per pole in unserved areas.² Will attachers in these states now be required to pay the much higher FCC rate in these BEAD-eligible locations? Further, at least eleven states prohibit electric cooperatives from subsidizing their broadband business. Requiring cooperatives to reduce their cost-based rates to the lower FCC rate would force them to make up the difference on the electric side of the house and risk breaking state law – an untenable position.³

Like you, electric cooperatives want to see reliable, scalable broadband service successfully brought to unserved and underserved Americans through the BEAD program. However, the last-minute decision to apply rigid timelines for processing attachment requests and conducting make ready work coupled with one-size-fits-all pole attachment rates and regulations jeopardize cooperatives' ability to safely manage and maintain their pole infrastructure, and shifts the cost of rural broadband deployment to cooperatives and their electric rate payers.

I urge you to ask NTIA Administrator Roth and BEAD staff to remove the concerning pole regulation language from the BEAD General Terms and Conditions. Thank you for your consideration of this request.

Sincerely,



Jim Matheson

cc: The Honorable Arielle Roth, Administrator, NTIA

² Oklahoma requires the \$1.00 per year rate for four years for new attachments in unserved areas. Georgia requires it for six years.

³ While Section 13.D.1 begins with the qualifier "Consistent with any relevant legal requirements and authorities," and such language may prevent state broadband offices from including the pole attachment language in question in their subgrant agreements, NRECA members remain concerned about possible funding recission as discussed in footnote 8 of the General Terms and Conditions and/or litigation exposure risk from other communications attachers. Further, Section 9.4 of the recently released FAQs indicate that states may not have the flexibility necessary to tailor subgrant agreements to comport with state law. Frequently Asked Questions and Answers Version 18, Broadband Equity, Access, and Deployment (BEAD) Program, Section 9.4 (rel. Feb. 3, 2026) ("noting [e]very subgrant agreement must comply with all BEAD program requirements, including, but not limited to, the requirements outlined in the BEAD NOFO, the BEAD Restructuring Policy Notice, and the BEAD General Terms and Conditions.")