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VIA ELECTRONIC SUBMISSION

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, SW – Lobby Level
Washington, DC 20554

**Re: Accelerating Wireless Broadband Deployment by Removing Barriers to
Infrastructure Investment, WT Docket No. 17-79**

Dear Ms. Dortch:

On Wednesday, June 27, 2018, Commissioner Rosenworcel announced the availability of several documents pertaining to small cell deployment in the City of San Jose, California, which she called “model agreements for small cell and 5G deployment.” We agree that figuring out how to deploy 5G infrastructure is a big task and that cities are important partners in the endeavor, but AT&T respectfully disagrees that the arrangements in San Jose, including the agreements released Wednesday, represent “model agreements” for other cities. The final agreements, which are not yet complete, are intricate, interdependent on each other, and unique to San Jose’s circumstances. They also demonstrate why Commission action is needed to prevent exorbitant fees and delays from impeding small cell deployment in cities and towns across America.

San Jose, with over 1 million residents, is the largest city in Northern California and part of Silicon Valley, a global center for technology and innovation. Rapid small cell deployment by AT&T in that area is crucial to meeting the ever-growing data capacity demands of our customers. After two years of negotiations, AT&T reached an agreement with San Jose that would allow it to deploy about 2,000 small cells at rates and on timelines substantially better than previous city requirements, but still at rates and on terms that cannot be economically exported to other cities and towns throughout the country. For example, AT&T has proposed cost-based recurring fees to place small cells on city structures at less than \$50. The rate structure in the San Jose agreement runs up to \$2,500 per site. If conservative industry projections accurately estimate small cell deployments at 800,000 by 2026, San Jose’s rate structure when applied to cities nationwide would cost approximately \$2 billion incrementally, leading by necessity to less expansive small cell deployment in communities across the nation.

The agreement with San Jose was nonetheless reached because it was necessary given the network usage in the area and the population density that is served there. But, as Commissioner Carr has noted, it is important that every community get “a fair shot at 5G.” Giving mid-sized and

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small communities that shot will occur only if cities charge rates for access to rights of way and rights of way infrastructure that are cost-based and closely related to their management, if local approval processes are reasonable, timely, and nondiscriminatory, and if other non-price-based restrictions do not otherwise effectively prohibit the provision of service. In that regard, the Commission's ongoing review of these issues is essential.

Pensacola Mayor Ashton J. Hayward III explained it well in the FCC's Accelerating Wireless Broadband Infrastructure proceeding when he observed that excessive and arbitrary fees cause providers to spend limited investment dollars on fees instead of on high speed infrastructure that is important to his community. The San Jose agreements do not address or resolve that problem.

In short, we believe that the Commission's work on a model code is essential. Such a model will be built on thoughtful input from all stakeholders through a notice and comment period and take into consideration the extensive work being undertaken by the Commission's Broadband Deployment Advisory Committee, including contributions from industry, government, local communities and others who have a stake in our collective 5G future

Successful small cell deployment for 5G services will be an enormous undertaking and it will take everyone working together to accomplish the mission. For that reason, we also support the STREAMLINE Small Cell Deployment Act, bi-partisan legislation introduced yesterday in the Senate designed to streamline and accelerate 5G deployment.

Pursuant to Section 1.1206 of the Commission's rules, an electronic copy of this letter is being filed for inclusion in this docket.

Sincerely,

A handwritten signature in blue ink, appearing to read "Henry G. Hultquist". The signature is fluid and cursive, with a long horizontal stroke at the end.

Henry G. Hultquist