

**Before the  
Federal Communications Commission  
Washington, D.C. 20554**

In the Matter of	)	
	)	
The State of Mobile Wireless Competition	)	WT Docket No. 18-203
	)	
	)	

**REPLY COMMENTS OF THE NATIONAL ASSOCIATION OF  
TELECOMMUNICATIONS OFFICERS AND ADVISORS AND THE NATIONAL  
LEAGUE OF CITIES**

The National Association of Telecommunications Officers and Advisors (“NATOA”) and the National League of Cities (“NLC”) submit these reply comments in response to the Federal Communications Commission’s Public Notice requesting comment on the state of wireless competition. NATOA’s membership includes local government officials and staff members from across the nation whose responsibility is to develop and administer communications policy and the provision of communications services for the nation’s local governments. NLC is the oldest and largest organization representing cities and towns across America. NLC represents 19,000 cities and towns of all sizes across the country.

NATOA and NLC members strongly support and encourage a competitive wireless marketplace. The comments submitted in response to the Public Notice indicate the marketplace is thriving and providing great benefits to consumers. We applaud and support every effort to provide robust and affordable services across the country.

Yet, despite the evidence of a healthy market, some commenters assert that local governments are a barrier. These largely unsupported assertions do not stand up to scrutiny. Commenters outline the significant 5G deployments plans of four major wireless carriers, which

include serving a variety of cities.<sup>1</sup> Further, AT&T notes that “[a]t the end of 2017, a record 323,448 cell sites were in operation—a 52% increase over the last 10 years,” and that small cell deployment has increased 550% from 2017 to 2018.<sup>2</sup>

Statements in the press reflect a similar trend. Sprint, for example, recently noted it “deployed more outdoor small cells in our 2017 fiscal fourth quarter than we have in the previous two years combined” and stated it will “continue to invest, expanding and extending our use of large traditional cell towers, as well as state-of-the-art small cells.”<sup>3</sup>

We commend these investments, but they cannot be squared with the assertion that local governments are standing in the way of deployment.

Commenters suggest that shorter shot clocks, deemed granted remedies and cost-based fees, among other things, would drive additional investment throughout the country.<sup>4</sup> Outside of the context of FCC proceedings, however, there is no indication that the wireless industry has any significant plans to deploy outside of major markets. For example, when asked by Representative Doyle, Ranking Member of House Commerce Committee Subcommittee on Communications and Technology, “are those little white boxes going to solve our problem in rural America if we just streamline the process,” a representative of CTIA replied: “We think there are two separate and

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<sup>1</sup> See, e.g., Comments of Mobile Future, p. 7-8; Comments of Verizon, 28-30; Comments of AT&T Services, Inc., p. 3-5.

<sup>2</sup> Comments of AT&T Services, Inc., p. 13.

<sup>3</sup> *Ex parte* letter from Smart Communities and Special Districts Coalition, July 17, 2018, WT Docket No. 17-79; WC Docket No. 17-84; WT Docket No. 16-421; GN Docket No. 17-83 (citing Scott Santi, *Densifying the Sprint Network with Tiny, Mighty Small Cells*, Sprint Newsroom (Jul. 17, 2018), available at <http://newsroom.sprint.com/tiny-mighty-small-cells.htm>).

<sup>4</sup> See Comments of CTIA, p. 66-67; Comments of Mobilitie, p. 6; Comments of Wireless Infrastructure Association, p. 3; Comments of Verizon, p. 35.

important problems. This helps us drive 5G. It certainly will be in dense areas in cities and towns, *but, no, it won't solve the problem for unserved.*”<sup>5</sup>

At the same hearing, Representative Doyle asked the entire panel, “does anyone here on the panel believe that we can successfully deploy unserved areas in rural America or underserved areas without some sort of Federal investment, that it can just be done through streamlining regulation and making deployment easy...?” Every witness, which included representatives from CTIA and USTelecom, among other industry and non-industry groups, replied that streamlining regulations would not address the problem.<sup>6</sup>

Recent earnings calls similarly make clear that deployment plans are not related to the local regulatory environment. Crown Castle, for example, stated in its second quarter earnings call:

[W]e are seeing activity across all four of the major operators on small cells and we’re seeing them throughout the vast majority of our fiber and small cells are in the top 25 markets and that continues. So we’re seeing the vast majority of the activity there. ... I think our long-term belief is that we’re going to continue to see the carriers invest in needs small cell slightly through the top 25, 30 markets and into the top 50 and potentially all the way through the top 100 markets in a meaningful way. But right now the activity is mostly focused in NFL cities and we’re seeing that from all four of the operators.<sup>7</sup>

Notably, local regulations were not addressed, and certainly were not labeled as having a negative impact on deployment. Neither Verizon nor AT&T addressed local regulations in their recent earnings calls outlining 5G deployment plans.<sup>8</sup>

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<sup>5</sup> U.S. House of Representatives Committee on Energy and Commerce Subcommittee on Communications and Technology “Closing the Digital Divide: Broadband Infrastructure Solutions,” January 30, 2018, Preliminary Transcript, pp. 58-59.

<sup>6</sup> *Id.* at pp. 60-61.

<sup>7</sup> <https://seekingalpha.com/article/4188564-crown-castle-international-corp-cci-ceo-jay-brown-q2-2018-results-earnings-call-transcript?part=single>.

<sup>8</sup> <https://www.verizon.com/about/file/28739/download?token=CRaM3jMA>;  
<https://seekingalpha.com/article/4189740-t-inc-t-ceo-randall-stephenson-q2-2018-results-earnings-call-transcript>.

Nothing in the comments filed in response to the Public Notice contradicts these candid statements. Wireless service and infrastructure providers are deploying at an unprecedented rate and making capital expenditure decisions based on market size, not local regulations. Simply put, local governments are not a barrier to entry into the wireless mobile marketplace, nor are they standing in the way of expanded deployment of services. If they were, then providers could make concrete commitments to deploy to less lucrative markets once these “barriers” were removed, something they have not been willing to do.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read 'N. Werner', with a long horizontal flourish extending to the right.

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