

September 19, 2018



Ms. Marlene H. Dortch
Secretary
Federal Communications Commission

445 12th Street, SW
Washington, DC 20554

Re: Accelerating Wireless Broadband Deployment by Removing Barriers to Infrastructure Investment, Accelerating Wireline Broadband Deployment by Removing Barriers to Infrastructure Investment, Inquiry Concerning Deployment of Advanced Telecommunications Capability to All Americans in a Reasonable and Timely Fashion; Declaratory Ruling and Third Report and Order – WT Docket No. 17-79, WC Docket No. 17-84, GN Docket No. 17-199 (the “Order”)

Dear Ms. Dortch:

America is rapidly transitioning to the next generation of wireless service, and XG Communities, LLC (“XG”) is committed to helping America win the global race to make 5G available for the benefit of all Americans.

In the spirit of furthering this cause, we write:

1. to urge the FCC to include in the Order provisions that a database of assets that are available and/or used for the purpose of small cell deployment;
2. to urge the FCC to grant local governments the explicit right to receive proper reimbursement from carriers for certain “make-ready” services that the local government (or its agent) will need to perform to enable small cell deployment on local government assets; and
3. to call attention to the certain incorrect premises on which the proposed Order relies.

I. ASSET DATABASE

In order to meet the rapidly increasing demand for small cell deployment, there must be a database of local government assets that are eligible for small cell deployment.

Most local governments do not have a current inventory of its assets, let alone an inventory of assets that are eligible for small cell deployment. Without an organized database of eligible asset inventory, carriers are prevented from deploying small cells in an efficient manner, and local governments will need to use their scarce resources to determine eligibility and availability of assets under the extreme time pressure set out by the shot clock provisions in the Order.

There is a need for an organized database of local government assets that would provide information on each of the asset's structural load capacity, aesthetic requirements, location, and other information that pertains to the availability and eligibility of an asset for small cell deployment.

XG has a reservation system for 300,000+ assets that functions as precisely the kind of asset inventory and information portal that local governments lack the resources to develop and that the carriers need in order to efficiently deploy small cells.

We urge the Order to mandate a national database for local government assets.

II. "MAKE-READY" SERVICES

There are substantive costs that local governments incur to fund the work that is required to prepare the city to accept carriers to deploy small cells in those local governments. The Order should clearly provide the list of the types of work and/or services that local governments require and should be compensated for by the carriers.

The carriers have demonstrated a coordinated effort to establish prices below market and below reasonable costs. The FCC should not condone the carriers' efforts to preempt local governmental rights, and require carriers to pay for the costs it takes cities to mobilize citizen-owned assets and work through regulatory complexities to allow the carriers on to the assets.

The "\$2B in unnecessary costs" as provided in the introduction of the proposed Order are costs that are real to the local governments. What is referenced by the "\$2B of unnecessary costs" are costs that the carriers do not want to pay, but that are actually incurred by local governments, to organize the assets for small cell deployment. Local governments must be able to recover both costs for mobilizing citizen-owned assets and for working through policy and regulatory complexities such as power and utility coordination.

XG has completed much of this work to establish the proper policies, inventory city assets eligible for small cell deployment, and solve the utility coordination problems for small cells. All this "make-ready" work must be in place before an application can be successfully processed, especially given the new collocation shot clock requirement provided in the proposed Order.

XG hereby submits a critical component for the FCC to consider to include as work and/or services that must be reimbursed by the carriers to the local government: the services that are required to "make-ready" a local government to process

applications for small cell deployments. Please see below a non-exhaustive list of services necessary for cities to process small cell deployment applications.

APPLICATION PROCESSING SERVICES

- Project Management
- Inventory& Rationalization of Available City Assets
- Ordinance & Process Review
- Digital Reservation System
- Lease Repository
- Carrier Interface
- Aesthetic Guidelines
- Utility Coordination
- Field Engineering
- Field Surveys
- Plan Check & Permit Review
- Bi-Annual Field Survey
- Database Administration
- Accounting, Billing & Reimbursement Reporting
- Construction Scheduling, Oversight, & Quality Control

III. INCORRECT PREMISES USED FOR THE ORDER

We noted several provisions in the proposed Order that are based on incorrect premises and understandings. We would like to opine on these points as follows:

- a. **Section I.3.** provides that there are small cells with antennas “often no larger than a backpack”. XG has dealt with hundreds of outdoor small cells and can attest that they are not the size of backpacks and that this description is misleading for the FCC’s definition of “small wireless facility” which, according to the Final Rules in the proposed Order, “are . . . no more than 28 cubic feet in volume.”
- b. **Section I.5.** provides that many state and local officials have urged the FCC to continue its efforts in proceeding with reforms. This provision is misleading as an overwhelming number of cities and associations that represent them have

come out in public to vocalize public opposition to carriers' push, and in turn, FCC's push, to preempt local governments' planning and economic rights.

- c. **Section I.5.** provides that local officials have voiced that the excessive fees or other costs are inhibiting the buildout of wireless services in their communities. XG can provide examples of 30+ cities that have made small cell assets available to carriers at market rates with predictable processes, carriers have not chosen to place orders in many cases.
- d. **Section I.6.** provides that state-level small cell bills have been led by local communities. This is a misrepresentation as many city and local governments have fought state-level legislation. Such cities include those in Texas and Ohio.
- e. **Section I.7.** provides that the proposed Order would eliminate \$2 billion in unnecessary costs. Such costs are necessary, as illustrated above, and exceed \$10 billion.
- f. **Section I.7.** provides that "97 percent of new deployments would be in rural and suburban communities . . ." If such is the intention of the FCC, then the Order should impose such an obligation on the carriers who will be benefitting from the Order.

IV. CONCLUSION

America is in the midst of a global race to 5G, and without the proper guidance from the FCC to protect local government rights, America will be severely delayed in reaching the next generation of wireless.

For this and the reasons set out above, XG urges the FCC to require the carriers to post \$5 billion of prefunded costs for local governments to utilize for a database of local government assets and to pay for "make-ready" services. The Order should provide for a database and specifically list out the types of "make-ready" services to be funded by carriers.

XG also urges the FCC to revise the Order to correct the provisions in the proposed Order that were based on incorrect understandings.

Sincerely,



Monnie McGaffigan
President
XG Communities, LLC