

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20544**

In the Matter of)	
)	
Improving Competitive Broadband)	GN Docket No. 17-142
Access to Multiple Tenant Environments)	
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REPLY COMMENTS OF VERIZON

William H. Johnson
Of Counsel

Rachael M. Bender
Roy E. Litland
VERIZON
1300 I Street NW, Suite 500E
Washington, DC 20005
(202) 515-2587

Attorneys for Verizon

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As noted by numerous interested stakeholders, significant percentages of households in dense urban areas live in multiple tenant environments (MTEs) – condominiums, apartments, or other multiple dwellings within a single building or development.² MTEs may also be largely commercial buildings, such as shopping malls or office buildings, with multiple businesses on the same premise. Many of these households and businesses seek a triple-play of data, voice, and video (although a growing number are “cutting the cord” and subscribing only to broadband).³ And increasingly, they may also seek 5G services with new fixed wireless and mobile applications for businesses and households.

¹ The Verizon companies participating in this filing are the regulated, wholly owned subsidiaries of Verizon Communications Inc.

² See e.g., Comments of the Fiber Broadband Association, GN Docket No. 17-142, at 2 (Aug. 30, 2019) (“FBA Comments”); Comments of INCOMPAS, GN Docket No. 17-142, at 5 (Aug. 30, 2019); Comments of Starry, Inc., GN Docket No. 17-142, at 3 (Aug. 30, 2019).

³ See PwC, *A new video world order: What motivates consumers?*, at 3 (2019), <https://www.pwc.com/us/en/services/consulting/library/pdf/video-consumer-motivations.pdf> (survey results showing cord cutting increased from 16 percent of households in 2015 to 25 percent of households in 2018); CDC, *Wireless Substitution: Early Release of Estimates From the National Health Interview Survey, July-December 2018*, at 2 (June 2019),

While the Commission’s rules and policies have helped facilitate access to MTEs for competing providers, there continue to be barriers to entry or obstacles to offering services. Verizon therefore welcomes the opportunity to provide the Commission with feedback and seeks targeted action to reduce obstacles to deployment for broadband and other services in MTEs.⁴ As the record shows, there are a variety of types of agreements that providers may enter with MTEs, and the impacts on deployment vary among them. The Commission should consider targeted regulation to prohibit providers from entering into revenue sharing agreements as a condition of building access and from entering into exclusive wiring agreements for MTE-owned wiring, while continuing to allow exclusive marketing arrangements without burdensome and counterproductive disclosure obligations. Additionally, the Commission should allow rooftop exclusivity agreements and should not impose access rules on new distributed antenna systems (DAS) facilities because such actions could discourage the deployment of this important infrastructure and have the unintended effect of picking winners and losers in the competitive marketplace. Finally, the Commission should be cautious about adopting new rules regarding MTE access unless it can reasonably harmonize its regulatory framework across all types of providers in order to ensure a fair and uniform playing field.

<https://www.cdc.gov/nchs/data/nhis/earlyrelease/wireless201906.pdf> (survey results showing 57% of American homes have only mobile phones).

⁴ See *Improving Competitive Broadband Access to Multiple Tenant Environments*, Notice of Proposed Rulemaking and Declaratory Ruling, 34 FCC Rcd 5702 (2019) (“*NPRM*” or “*Declaratory Ruling*”).

I. THE COMMISSION SHOULD CONSIDER TARGETED REFORMS REGARDING REVENUE SHARING AND EXCLUSIVE MARKETING AGREEMENTS.

As the Commission has correctly recognized, “[b]y far the greatest harm” of exclusive *access* arrangements is that “they deny [MTE] residents another choice of . . . service and thus deny them the benefits of increased competition.”⁵ By contrast, most revenue sharing arrangements and exclusive marketing agreements are fundamentally different because they do not prevent competitive providers from gaining physical access to a property to compete for customers. Therefore, to the extent that the Commission determines that revenue sharing or exclusive marketing agreements can cause competitive harm in some circumstances, the Commission should consider targeted reforms tailored to those circumstances rather than a blanket prohibition.

A. The Commission Should Prohibit Providers From Entering Into Revenue Sharing Arrangements as a Condition of Access and Should Require That Providers’ Non-Access-Related Revenue Sharing Arrangements Be Reasonably Related to the MTE Owner’s Costs.

Paragraph 16 of the *NPRM* defines “revenue sharing agreement” broadly as an arrangement where “the building owner receives consideration from the communications provider in return for giving the provider access to the building and its tenants.”⁶ To avoid confusion, these types of agreements should be referred to as “access agreements” and the term “revenue sharing agreement” should be used only for the subset of access agreements in which a provider makes payments to the MTE owner based on the provider’s number of customers in the

⁵ *Exclusive Service Contracts for Provision of Video Services in Multiple Dwelling Units and Other Real Estate Developments*, Report and Order and Further Notice of Proposed Rulemaking, 22 FCC Rcd 20,235, ¶ 17 (2007).

⁶ *NPRM* ¶ 16.

MTE or revenue from those customers.⁷ The *NPRM* notes that the “consideration [for access agreements] can take many forms, ranging from a *pro rata* share of the revenue generated from tenants’ subscription service fees, to a one-time payment calculated on a per-unit basis (sometimes called a door fee), to provider contributions to building infrastructure, such as WiFi service for common areas.”⁸ Given the many forms that access agreements can take, the Commission should tread cautiously before upsetting longstanding practices. As parties have recognized, access agreements can enable MTE owners to defray various costs or provide services associated with managing providers’ access to MTEs.⁹

Rather than impose sweeping regulation on all access agreements between MTE owners and providers, the Commission should instead take a more targeted approach by prohibiting providers from entering into revenue sharing agreements (as we’ve defined them above) *as a condition of access*. An MTE owner that requires revenue sharing as a condition of access may be incentivized to exclude other providers from a building, especially where, as INCOMPAS explains, a provider’s marginal revenue share payment to the MTE owner increases as the

⁷ This definition of “revenue sharing” does not include a provider’s payment of rent for the space occupied by the provider’s equipment and facilities and does not include a provider’s reimbursement to the MTE owner for the costs of the electrical power used by the provider. Those payments for space and power are not “revenue sharing” because they are not based on the provider’s revenue or number of customers in the MTE.

⁸ *NPRM* ¶ 16.

⁹ *See, e.g.*, Comments of ExteNet, GN Docket No. 17-142, at 4 (Aug. 30, 2019) (“[R]evenue sharing agreements offset the costs associated with installing, maintaining, and upgrading MTE infrastructure that supports the provision of broadband, communications, and video services to MTE occupants.”); FBA Comments at 4 (recognizing that “MTE owners may incur costs related to the installation and maintenance of facilities for communications services by service providers” and stating that “[r]evenue sharing agreements can allow MTE owners to recover these costs in the instances where that is needed to incentivize owners to allow providers to extend their networks into their property”).

provider's penetration in the building increases.¹⁰ And, more generally, an MTE owner's insistence on – as a condition of access – revenue sharing payments that exceed the MTE owner's costs can undermine a provider's business case for deploying to a building.¹¹

In addition to prohibiting providers from entering into revenue sharing agreements as a condition of MTE access, the Commission should also consider adopting a targeted rule allowing providers to enter into non-access-related revenue sharing agreements only if the provider's payments to the MTE owner are reasonably related to the MTE owner's costs or the value of any consideration provided by the MTE owner (such as exclusive marketing). Such a rule – which is consistent with proposals in the record¹² – would largely reduce or eliminate any incentive an MTE owner would have to exclude a new entrant because of an existing revenue sharing

¹⁰ See INCOMPAS Comments at 10-11. See also Comments of CenturyLink, GN Docket No. 17-142, at 7 (Aug. 30, 2019) (stating that “[r]evenue sharing arrangements are especially pernicious, particularly in the commercial context, because they incent property owners to steer business to their preferred service provider”).

¹¹ See INCOMPAS Comments at 9 (stating that revenue sharing “agreements are common practice and competitive providers that do not have the financial resources required to ‘pay to play’ are routinely denied access to MTEs”).

¹² See CenturyLink Comments at 14 (“[T]he Commission should prohibit providers from entering into arrangements that compensate MTE owners for more than their actual cost of enabling service in the MTE and performing any other contractual obligations on the provider’s behalf. By their nature, revenue sharing agreements fail this test if they award the MTE owner a pro-rata share of the provider’s revenues in the building without regard for the owner’s actual costs of enabling service and fulfilling applicable contractual obligations.”); Comments of Common Networks, GN Docket No. 17-142, at 5 (Aug. 30, 2019) (“[T]he Commission should prohibit *all* revenue sharing arrangements that exceed the building’s costs of allowing service.”) (emphasis retained); FBA Comments at 4 (“[R]evenue sharing agreements should only be presumed to be consistent with the public interest if they are cost-based and non-discriminatory.”); INCOMPAS Comments at 13 (proposing to ban graduated revenue sharing agreements or “[a]lternatively, the Commission could permit cost-based revenue sharing agreements); Comments of Wireless Internet Serv. Providers Ass’n., GN Docket No. 17-142, at 9 (Aug. 30, 2019) (“[T]he Commission should restrict revenue sharing agreements to cover only infrastructure costs actually incurred by an MTE owner/manager.”).

agreement. MTE owners and NCTA oppose any restrictions on revenue sharing largely on the grounds that such agreements enable building providers to recoup their costs.¹³ But a requirement that non-access-related revenue sharing agreements reasonably approximate the MTE owner's costs would by definition allow MTE owners to recover their costs. MTE owners also claim that the Commission should refrain from acting because the amounts providers pay to MTE owners are "ancillary" to MTE owners' lease revenue from tenants.¹⁴ But regardless of whether the revenue is "ancillary" to MTE owners, the amounts are often material to providers' business decisions. Whether non-access-related revenue sharing payments are reasonably related to an MTE owner's costs or the value of any consideration provided by the MTE owner is a matter appropriately addressed by the parties' negotiation of the revenue share agreement.¹⁵ If necessary, concerns about whether a provider entered into unreasonable revenue share terms and conditions with an MTE owner can be brought before the Commission, which can take action against the provider in the context of a particular case.

B. The Commission Should at Most Require That Exclusive Marketing Agreements Include a Disclaimer That the Agreement Is Not an Exclusive Access Agreement.

As the *NPRM* notes, the Commission in 2010 declined to regulate exclusive marketing arrangements because "exclusive marketing could lead to lower costs for subscribers or partially defray deployment costs borne by buildings, without prohibiting or significantly hindering other

¹³ See Comments of Nat'l Multifamily Housing Council *et al.*, GN Docket No. 17-142, at 78-84 (Aug. 30, 2019); Comments of NCTA, GN Docket No. 17-142, at 7-9 (Aug. 30, 2019).

¹⁴ See INCOMPAS Comments at 9 (stating that "competitive providers that do not have the financial resources required to 'pay to play' are routinely denied access to MTEs").

¹⁵ See CenturyLink Comments at 15 (noting that a "provider will likely have a rough sense of the expenses the MTE owner incurs to allow access to the MTE and whether those expenses roughly correspond to the revenue share or fees it will pay the MTE owner").

providers from entering the building.”¹⁶ Despite the Commission’s statement that it is not revisiting this policy,¹⁷ some parties seek an outright ban on providers entering into exclusive marketing arrangements.¹⁸ For example, Starry says it “utilizes a variety of sales techniques to acquire new subscribers, including digital marketing, physical marketing, [and] direct mail” but that in-person campaigns are “the most effective” and therefore exclusive marketing agreements – which typically prohibit competitive providers’ in-building marketing campaigns – should be banned.¹⁹ But exclusive marketing arrangements do not prevent competitors from serving MTE residents and do not prevent residents of an MTE from opting to buy service from a competing provider. As Starry itself recognizes, providers can reach MTE residents through digital marketing, direct mailings, and other forms of advertising – the same types of advertising that providers use to reach non-MTE residents. Exclusive marketing arrangements can provide an effective means for marketing; otherwise providers would not employ them. Nevertheless, in Verizon’s experience, such arrangements do not prevent effective competition for MTE residents. Rather, exclusive marketing arrangements – like any arrangement whereby a property owner provides information to residents about a specific business such as a neighborhood dry cleaner, dentist, or restaurant – leave the final choice of provider to the resident. The Commission should not prohibit exclusive marketing arrangements.

Some parties claim that exclusive marketing arrangements can reduce competition because MTE owners sometimes misinterpret an exclusive marketing arrangement as having the

¹⁶ *NPRM* ¶ 27.

¹⁷ *See id.*

¹⁸ *See* Common Networks Comments at 9; INCOMPAS Comments at 18, Starry Comments at 9-10.

¹⁹ *See* Starry Comments at 9.

effect of an exclusive access arrangement.²⁰ If the Commission finds substantial evidence of a problem, the Commission can address it by requiring that – on a prospective basis – providers’ exclusive marketing contracts include a clear disclaimer stating that there is no exclusive access agreement.²¹

C. The Commission Should Not Impose Public Disclosure Requirements on Revenue Sharing or Exclusive Marketing Agreements.

The Commission should reject proposals that would require providers to inform the public or occupants of particular MTEs about the existence or terms of revenue sharing or exclusive marketing agreements.²² Such disclosures would be burdensome to administer and could confuse the public and current and potential residents of MTEs, whose housing decisions are unlikely to be impacted by disclosures regarding the existence and terms of contracts between MTE owners and providers.²³ And any public disclosure requirements regarding the

²⁰ See INCOMPAS Comments at 17 (“In some instances, these agreements are conflated with exclusive service agreements.”).

²¹ See NPRM ¶ 28 (asking “[s]hould we require specific disclaimers or other disclosures by carriers and covered MVPDs making clear that there is no exclusive access agreement and that customers are free to obtain services from alternative providers”); INCOMPAS Comments at 18 (calling for a requirement that a provider “make clear in the contract that the exclusive marketing clause does not constitute exclusive access”).

²² See CenturyLink Comments at 16-17 (calling for providers to disclose publicly the existence and content of agreements); Comments of Crown Castle, GN Docket No. 17-142, at 8, 15 (Aug. 30, 2019) (calling for disclosure of revenue sharing and exclusive marketing agreements); FBA Comments at 4 (calling for the Commission to “require that providers disclose the existence and terms of revenue sharing agreements to the Commission upon request” and for the Commission to “encourage” the disclosure of exclusive marketing arrangements); INCOMPAS Comments at 13 (“Providers should be required to make these [revenue sharing] agreements public so that tenants and new entrants may review the terms and conditions.”).

²³ See Common Networks Comments at 7 (“[A] disclosure requirement would create more bureaucratic processes and costs that ultimately may disproportionately harm smaller competitors, who may be less well equipped to offset the administrative burdens of such a requirement.”); Starry Comments at 12 (“With respect to the tenants, transparency regarding the existence of exclusive provisions may have little impact.”).

terms of revenue sharing agreements could actually harm competitive providers and tenants, because an MTE owner could insist on receiving the most favorable revenue sharing terms negotiated by other MTE owners in the area.²⁴

To the extent the Commission believes it needs to further educate the public, it can do so through a consumer resource on its website. For example, the Commission’s website can make clear to the public that providers are prohibited from entering into exclusive access agreements.

II. THE COMMISSION SHOULD PROHIBIT EXCLUSIVE WIRING AGREEMENTS FOR MTE OWNERS’ WIRING.

As noted in the *NPRM*, the Commission’s inside wiring rules are designed “to facilitate competitive access to unused cable wiring.”²⁵ Sale-and-leaseback arrangements and other types of exclusive wiring arrangements evade this policy goal by granting a provider exclusive control of unused wiring owned by an MTE owner. Therefore, the Commission should use its Section 201(b) and 628(b) authority²⁶ to prohibit providers from entering into such arrangements.

²⁴ See NCTA Comments at 9 (“If building owners know in advance the terms of revenue sharing agreements negotiated in the broader MTE marketplace, they may have the incentive and increased leverage to demand more generous terms from potential providers than they otherwise would.”).

²⁵ *NPRM* ¶ 5.

²⁶ See 47 U.S.C. § 201(b) (stating that common carriers’ “charges, practices, classifications, and regulations for and in connection with such communication service, shall be just and reasonable”); § 548(b) (“It shall be unlawful for a cable operator . . . to engage in unfair methods of competition or unfair or deceptive acts or practices, the purpose or effect of which is to hinder significantly or to prevent any multichannel video programming distributor from providing satellite cable programming or satellite broadcast programming to subscribers or consumers.”); § 548(g) (“Any provision that applies to a cable operator under this section shall apply to a common carrier or its affiliate that provides video programming by any means directly to subscribers. . .”).

Under a sale-and-leaseback arrangement, “a service provider sells its wiring to the MTE owner and then leases back the wiring on an exclusive basis.”²⁷ As INCOMPAS notes, sale-and-lease back arrangements and other exclusive wiring arrangements effectively prevent access to unused cable wiring and thus thwart the Commission’s policy goal of facilitating access to unused wiring.²⁸ New entrants will be less likely to deploy to an MTE if they are prohibited from accessing existing unused wiring and must instead devote resources to wiring a building.²⁹ Therefore, the Commission should prohibit providers from entering into exclusive wiring arrangements, including sale-and-leaseback arrangements, because such arrangements reduce competition in MTEs and arguably violate Section 76.802(j) of the cable home wiring rules.³⁰

NCTA argues that sale-and-leaseback arrangements allow providers “to recover their costs and earn a return on their investments” and that without such agreements “providers would have less incentive to deploy newer wiring and technologies.”³¹ The Commission can address this concern by adopting an exception that allows an exclusive wiring agreement where a provider installed the wiring, the provider is still serving customers in the MTE, and the exclusive wiring arrangement is limited in duration.³²

²⁷ See *NPRM* ¶ 24.

²⁸ See INCOMPAS Comments at 14-16; FBA Comments at 7 (“Under these circumstances [sale-and-leaseback agreements], the MTE owner can inhibit the subscriber from choosing an alternative provider, which is the circumstance the rules were meant to prevent”).

²⁹ See *Starry* Comments at 10.

³⁰ The Commission’s cable home wiring rules require a provider to “take reasonable steps within [its] control to ensure that an alternative service provider has access to the home wiring at the demarcation point” and to not “prevent, impede, or in any way interfere with, a subscriber’s right to use his or her home wiring to receive an alternative service.” 47 C.F.R. §§ 76.802(j).

³¹ See *NCTA* Comments at 5.

³² See *Starry* Comments at 10 (“*Starry* concedes that if a provider installs building wiring at its own expense, and is using it to serve a customer, it may have an interest in recouping a portion

In prohibiting sale-and-leaseback arrangements and other exclusive wiring arrangements, the Commission should clarify that the prohibition applies only to wiring owned by the MTE owner. As Fiber Broadband Association explains, “providers should maintain their ability to control use of inside wiring they install and continue to own because such control ensures providers can receive a sufficient return on their investment in deploying facilities within MTEs.”³³ The Commission should also clarify that the prohibition on exclusive wiring arrangements does not require sharing of in-use wiring. The Commission has found that “[r]equiring the sharing of in-use facilities reduces investment, slows the deployment of new facilities in MTEs, poses significant technical issues, and undermines the quality of communications services.”³⁴

III. DESPITE EXISTING CHALLENGES, THE COMMISSION SHOULD REFRAIN FROM IMPOSING A BAN ON ROOFTOP EXCLUSIVITY AGREEMENTS, WHICH WOULD UNINTENTIONALLY HINDER DEPLOYMENT AND COMPETITION.

Rooftop exclusivity arrangements may hinder competition and drive up costs for consumers. However, the Commission does not have jurisdiction over all types of rooftop access managers and is not in a position to comprehensively remedy potential anti-competitive

of that cost for a short period of time. In such cases, however, the Commission should make clear that exclusivity should last only so long as a) the incumbent is using the wire to serve a customer; and b) no longer than necessary to allow the provider to recoup the investment.”). *See also* Comments of Public Knowledge *et al.*, GN Docket No. 17-142, at 15 (Aug. 30, 2019) (“At most, the Commission could consider some kind of limited window of exclusivity (possibly determined according to standard depreciation practices) to encourage new fiber installations in a building, if a provider agrees to wire every unit in an MTE in exchange.”).

³³ *See* FBA Comments at 6.

³⁴ *See* Crown Castle Comments at 14 (“Forced sharing of inside wire could discourage investment and upgrades and cause practical difficulties, both technical and control.”); *Declaratory Ruling* ¶ 42

behavior. Because of these jurisdictional issues, we urge the Commission to refrain from implementing a ban on rooftop exclusivity agreements. Nonetheless, Verizon shares its experiences herein to give the Commission a better understanding of the full landscape of MTE access and broadband deployment challenges facing service providers and affecting consumers.

Often, building owners will contract out management of rooftop facilities in order to reduce administrative burdens.³⁵ Verizon generally does not seek exclusivity for an entire rooftop, but rather only the area needed to provide our service. A third party who manages access for the entire area through a lease may charge higher prices in order to generate higher revenue to give a portion of the profits to the building owner. Since a single entity could monopolize access to a building rooftop, or even a group of building rooftops owned by a common landlord, building residents do not enjoy the same robust competition that could occur absent a third party middleman.

However, as with the building owners themselves, the Commission may not have jurisdiction over all potential third party rooftop access managers.³⁶ While some rooftop exclusivity agreement holders may be telecommunications carriers and covered MVPDs, there are other types of entities that operate outside the Commission's jurisdiction. For instance, tower companies frequently hold rooftop exclusivity agreements with building owners.³⁷ If the Commission moves forward with a ban on rooftop exclusivity agreements for entities under its jurisdiction, it may unintentionally make the situation worse by giving non-covered entities a further competitive advantage in executing these types of arrangements with building owners.

³⁵ *See, e.g.*, Crown Castle Comments at 4.

³⁶ *See* Comments of the Wireless Infrastructure Ass'n, GN Docket No. 17-142, at 14 (Aug. 30, 2019) ("WIA Comments").

³⁷ *See id.* at 12-13.

Rooftop exclusivity agreements often drive up costs and pose an additional barrier to access. However, due to jurisdictional issues, we urge the Commission to refrain from implementing a ban on these types of agreements in order to avoid the unintended consequences of treating different types of entities unequally and further reducing competition.

IV. MANDATING A FUTURE-PROOFING REQUIREMENT FOR DAS FACILITIES ACCESS COULD FURTHER HINDER COMPETITION AND RAISE COSTS.

The Commission seeks comment on whether to take action regarding access to DAS facilities in MTEs that are often used by wireless providers to provide additional coverage and capacity.³⁸ Verizon respectfully requests that the Commission refrain from interfering with market-based competition for DAS facilities access. In particular, the Commission should not impose a future-proofing requirement on neutral host DAS facilities.

At times, individual DAS facilities may make prudent business sense, but very often carriers gain access through a neutral host facility managed by one party. Verizon engages in both types of arrangements as necessary to the circumstances in each unique MTE environment. A neutral host DAS allows for cost splitting between multiple carriers and, in our experience, building owners prefer this arrangement in order to reduce the number of facilities to manage and alleviate aesthetic concerns. However, in order to simplify network design, a neutral host DAS provider cannot host every new solution that becomes available. So as each carrier improves its technology and deploys more advanced services, not every DAS facility can accommodate all upgrades.

The market continues to innovate, but the Commission should not create a new barrier to deployment by mandating that all new solutions be incorporated into existing facilities. A

³⁸ *NPRM* ¶ 22.

future-proofing requirement would have a negative effect on innovation – restricting design because a neutral host would have to ensure it could accommodate any new solution. This may also foster a rise in individual DAS facilities, which drives up the cost of deployment and is often not a building owner’s preferred method of granting access. Additionally, since the Commission may not have jurisdiction over all DAS providers, imposing a future-proofing requirement on only covered entities would further hinder competition.

Instead, the Commission should encourage DAS providers and MTEs to overlay new and evolving wireless technologies onto existing DAS where feasible. Verizon also agrees with other commenters that the Commission should carefully consider the impact of further regulation on public safety.³⁹ Ultimately, instead of prescriptive regulation, the Commission should let market competition determine the terms of access to DAS facilities in MTEs.

V. THE COMMISSION SHOULD BE CAUTIOUS ABOUT ADOPTING NEW RULES UNLESS IT CAN REASONABLY HARMONIZE ITS REGULATORY FRAMEWORK TO AVOID ASYMMETRIC REGULATION.

The FCC should consider further harmonizing current MTE access rules to ensure broadband, telephone, and cable operators are all treated equally. As noted in the *NPRM*, in the context of MTEs the Commission has relied on Section 201 to regulate providers of telecommunications services and Section 628 to regulate MVPDs.⁴⁰ For broadband, the Commission proposes to rely on its Section 201 “authority over infrastructure that can be used for the provision of both telecommunications and other services on a commingled basis.”⁴¹ But

³⁹ See e.g., Comments of Safer Buildings Coalition, GN Docket No. 17-142, at 2 (Aug. 30, 2019); Comments of the Government Wireless Tech. and Telecomms. Ass’n, GN Docket No. 17-142, at 2-3 (Aug. 30, 2019).

⁴⁰ See *NPRM* ¶ 33.

⁴¹ See *NPRM* ¶ 34.

assuming arguendo that theory is valid, serious questions would remain as to whether broadband-only providers would be subject to any new regulations the Commission were to adopt.

Moreover, tower companies and other infrastructure providers who do not themselves provide broadband, cable, or telecommunications services could operate entirely outside of the Commission's regulations regarding MTEs. Thus, as discussed above in regards to multiple issues, some of the Commission's proposals may result in asymmetric regulation that further distorts competition between covered and non-covered entities. Therefore, the Commission should refrain from imposing new rules on regulated providers that may inadvertently hinder covered providers from competing with non-regulated entities.

VI. CONCLUSION

Verizon appreciates the Commission's commitment to promoting broadband deployment by reducing barriers to access in MTEs. Ensuring broadband competition in these types of buildings is a laudable goal that, through targeted intervention by the Commission as discussed above, will help to increase broadband availability and choice. But while challenges remain, we urge caution in moving forward with certain new regulatory concepts that could, perhaps unintentionally, harm MTE tenants by weakening deployment and competition among different types of providers.

Respectfully submitted,

VERIZON

/s/ Rachael M. Bender

William H. Johnson
Of Counsel

Rachael M. Bender
Roy E. Litland
VERIZON
1300 I Street NW, Suite 500E
Washington, DC 20005
(202) 515-2587

Attorneys for Verizon

Dated: September 30, 2019