



Katharine R. Saunders
Managing Associate General Counsel
Federal Regulatory and Legal Affairs

1300 I Street, NW, Suite 500 East
Washington, DC 20005
Phone 202.515.2462
katharine.saunders@verizon.com

November 21, 2017

Ex Parte

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

Re: Accelerating Wireline Broadband Deployment by Removing Barriers to Infrastructure Investment, WC Docket No. 17-84

Dear Ms. Dortch:

On November 20, 2017, Will Johnson and I from Verizon met with Jamie Susskind, Chief of Staff to Commissioner Carr, and Law Fellow Jeff Westling. During the meeting, we focused on the parts of the Commission's *Notice* and Draft Order and Draft FNPRM that address pole attachment reforms.¹ Verizon's remarks were consistent with our prior advocacy² in this matter.

Verizon and others have urged the Commission to allow new attachers the option of using a One-Touch Make-Ready (OTMR) process to help speed fiber and small-cell deployment.³ We gave a brief overview of our proposal, as outlined in our comments and a short video.⁴ Our OTMR proposal would allow attachers, as well as pole owners, the option to use pole-owner-approved contractors to coordinate and do all work to add a new attachment or

¹ See *Accelerating Wireline Broadband Deployment by Removing Barriers to Infrastructure Investment*, Notice of Proposed Rulemaking, Notice of Inquiry, and Request for Comment, 32 FCC Rcd 3266 (2017) ("*Notice*"); *Accelerating Wireline Broadband Deployment by Removing Barriers to Infrastructure Investment*, Report and Order, Declaratory Ruling, and Further Notice of Proposed Rulemaking [*as circulated*], WC Docket No. 17-79, FCCCIRC1711-04 (circ. Oct. 26, 2017).

² See, e.g., Verizon Comments, WC Docket No. 17-84 (June 15, 2017) ("Verizon Comments"); Verizon Reply Comments, WC Docket No. 17-84 (July 17, 2017) ("Verizon Reply Comments").

³ See, e.g., Verizon Comments at 4-8; Ex Parte Letter from Katharine Saunders, Verizon, to Marlene Dortch, FCC, WC Docket No. 17-84 (Aug. 25, 2017); Ex Parte Letter from Katharine Saunders, Verizon, to Marlene Dortch, FCC, WT Docket No. 17-79 and WC Docket No. 17-84 (Sept. 11, 2017); Google Fiber Inc. Comments, WC Docket No. 17-84, at 1-4 (June 15, 2017); INCOMPAS Comments, WC Docket No. 17-84, at 5-10 (June 15, 2017).

⁴ See <http://www.verizon.com/about/news/simple-rule-can-speed-broadband-build-outs>.

perform other make-ready work. Instead of multiple parties performing sequential make-ready work on the pole, a new attacher could use a single pole-owner-approved contractor to complete all of the work at one time. OTMR thus replaces multiple truck rolls with one, thereby speeding the attachment timeline and reducing aggregate make-ready costs. OTMR also benefits pole owners because in an OTMR structure, the attaching party has the responsibility for obtaining a survey and make-ready estimate and of notifying existing attachers that make-ready work will be performed rather than shifting that responsibility to the pole owner. And, municipalities and residents benefit because there will be reduced closures or disruption of streets and sidewalks for make-ready work. Our proposal would require contractors to be qualified and approved by the pole owner to perform work – either in the communications space, or the electrical space, or both – and to be permitted to complete both simple and complex work in either of those spaces pursuant to their qualifications and any necessary certifications. Under our proposal, the new attacher would be required to correct any deficiencies that the pole owner or existing attachers identify regarding the contractor’s make-ready work. The new attacher and approved contractor would indemnify those parties for harm to the pole or existing attachments caused by such work. Attachers who do not elect to use OTMR would be able to continue to use the existing pole attachment timeframes and processes.

We also reviewed the conclusions that Nicholas Vantzelfde of CMA Strategy Consulting reached in his recent report,⁵ including his conclusion that the current make-ready process is characterized by inefficiencies and unpredictability that together can handicap rapid broadband deployment. We explained that Mr. Vantzelfde found that the incentives in the current system are aligned against efficient deployment of new attachments, and that allowing participants the option of using OTMR would remedy those disincentives and cure much of the current delays and lack of predictability. The report determined that under the current make-ready framework, it is very difficult to coordinate sequential make-ready performed by different parties. On top of the inherent coordination difficulties, parties’ incentives are not aligned. Whereas the new attacher seeks to deploy its facilities as quickly as possible, electric company pole owners generate financial returns by providing electricity, not managing pole attachments, and existing broadband attachers often view make-ready as a resource burden that enables a new competitor. Thus, pole owners and existing attachers often assign the lowest priority to make-ready work, leading to delays. Anticipating these delays, the report concludes that the new attacher routinely budgets a worst-case scenario, which effectively shrinks the new attacher’s contemplated deployment radius. Some providers even choose the more expensive option of deploying underground because those deployments can be more predictable.

Mr. Vantzelfde’s report also explains that there are some instances in which parties may agree to ad hoc OTMR-like processes that can lead to more efficient and quicker deployment. But these ad hoc processes – where they exist at all – are often not available to new entrants, and regardless are neither uniform nor consistent. Mr. Vantzelfde found a consensus among the interviewed parties that consistently having the option of using a one-touch make-ready

⁵ See CMA Strategy Consulting, “Perspectives on the Current State of Make Ready and the Potential Impact of a One-Touch Make-Ready Policy,” *attached to* Ex Parte Letter from Katharine Saunders, Verizon, to Marlene Dortch, FCC, WC Docket No. 17-84 (Nov. 13, 2017).

framework would substantially improve the make-ready process. Providers would be better able to budget and plan for deployment, and would be able to deploy more quickly and efficiently. Mr. Vantzelfde concluded that there is evidence that these improvements would likely lead to more rapid deployment of broadband, particularly for new entrants, than under the current model.

We concluded that Mr. Vantzelfde's findings provide additional support for the Commission to adopt Verizon's OTMR proposal.

Very truly yours,

A handwritten signature in black ink, appearing to read "Katharine Saunders", with a long horizontal flourish extending to the right.

Katharine R. Saunders

cc: Jamie Susskind
Jeff Westling