

UTC 2018 Resolution: Pole Attachments

WHEREAS, the most common visual elements of the utility industry are the transmission towers and utility poles carrying electricity to most every home and business in the U.S.; and,

WHEREAS, these towers and poles are essential for the day-to-day reliability of the electricity grid, grid modernization, storm restoration, and grid resilience, which in turn is essential for the lifesaving and life-sustaining services electricity provides to every American, no matter where you live; and,

WHEREAS, in addition to delivering electricity all over the country, these towers and poles are often used for transporting other important products and services offered by third parties, such as voice, data, and cable services; and,

WHEREAS, the process by which a third party can attach their device and service to a utility pole is referred to as "pole attachments," and utilities and other pole owners are allowed to charge fees for providing these services in order to defray the costs of maintaining the pole and doing the necessary engineering assessments that must occur when additional weight is added; and,

WHEREAS, without FCC regulation, macro cells have successfully been deployed on transmission poles all over the country

WHEREAS, the fees charged for distribution pole access by investor-owned utilities (IOUs) and other pole owners are regulated either by the U.S. Federal Communications Commission (FCC or the Commission), a state public utility commission, depending on whether the state has decided to assert jurisdiction, or a local government. In the majority of cases, states have declined to assert jurisdiction and therefore rates and requirements are determined by the FCC; and,

WHEREAS, in the 1996 Telecom Act Congress intended for all pole attachments fees to migrate to the telecom rate which better reflects the cost incurred by a pole owner for pole attachments but instead the FCC has altered this rate to the lower cable rate; and,

WHEREAS, given their unique pole infrastructure and its accessibility to third-parties, electric utilities are key facilitators of broadband, voice, data, and cable services in all parts of the country served by private telecommunications providers; and,

WHEREAS, as a means to encourage broadband deployment to unserved and underserved areas of the U.S., the FCC has expanded pole access requirements and reduced the rates that FCC-regulated pole owners can charge third parties—mostly private telecommunications providers—to attach their devices to utility poles, claiming that telecommunications firms would invest the savings from pole-attachment rates into expanding their networks into unserved and underserved areas; and,

WHEREAS, in addition to denying pole owners from recovering the costs of pole-attachments, the FCC has also mandated strict timelines and other requirements for pole owners to process pole-attachment applications and attach devices to their infrastructure; and,

WHEREAS, the FCC's own records demonstrate that despite this favorable regulatory climate for the

telecommunications providers, a “digital divide” remains in many, mostly rural, parts of the U.S., as many private firms find it uneconomic to invest in these locations; and,

WHEREAS, because utilities understand the importance of broadband to their service areas, some have offered to waive pole-attachment fees to attract private broadband providers to their service territories and beyond. In at least one instance, no firms took advantage of this offer; and,

WHEREAS, in areas where private telecommunications providers are not providing broadband services, many utilities in rural areas themselves are bringing broadband to their service areas and beyond; and,

WHEREAS, in areas served by IOUs, typically urban areas, the deployment of broadband has occurred under the current rate structure and FCC rules; and,

WHEREAS, the wireless industry plans on deploying 5G cellular services, which will result in a proliferation of wireless devices being attached to utility poles; and,

WHEREAS, wireless attachments bring about considerably different demands on the pole infrastructure such as devices at the top of the pole and ancillary equipment at the bottom of the pole; and,

WHEREAS, members of Congress, the FCC, and the telecommunications industry are pursuing even tighter restrictions and rates for these attachments, not recognizing that the first and foremost use of a utility pole is the delivery of lifesaving and life sustaining electricity to all customers in America.

NOW, THEREFORE, BE IT RESOLVED, that the Utilities Technology Council (UTC), gathered at its Annual Telecom & Technology Meeting in Palm Springs, California, urges policymakers to recognize and consider the criticality of utility poles to the reliability of our nation’s electricity system and, by extension, our digital lifestyles, which the grid powers, in setting pole-attachment policies; and,

BE IT FURTHER RESOLVED, that UTC urges policymakers to pursue policies that do not: 1) artificially reduce pole-attachment rates; 2) suppress the market for such attachments; and 3) result in electricity ratepayers subsidizing the well-financed telecommunications industry.

Adopted by the UTC Membership, May 10, 2018