



# Presentation to the Federal Communications Commission

Regarding access to utility poles

March 2011

» CUSTOMER DRIVEN. TO THE LAST MILE.

- Customers expect and demand service within reasonable and predictable timeframes
  - single-location customers typically expect service within 30-60 days
- Timely revenue critical to business
- Predictability of revenue demanded by investors
- Neither ILEC's nor Elco's will voluntarily strive to timely issue licenses

- Fibertech's recommendations:
  - Generally:
    - make-ready estimate within 45 days of application
    - license within 45 days of payment of estimate
  - For applications involving 35 or fewer poles (segmenting a longer route not allowed) and 5 or fewer poles requiring make-ready work:
    - make-ready estimate within 30 days of application
    - license within 15 days of payment of estimate

# No good reason not to require timely performance of make-ready work



- License applicants pay pole owners the full cost of any work
- Therefore, causing pole owners to hire additional workers or contractors is entirely good:
  - no unreimbursed costs imposed on owners
  - jobs created, economy stimulated through private investment
  - results in greater broadband availability, more competition, and better and less expensive services
- Failure to meet deadline triggers no harm to pole owners:
  - qualified workers will perform work as specified by owner if owner is unable to complete
  - applicants will likely offer to use temporary attachments if owners prefer

# Commission's decision on boxing is crucial



- Right to box affords competitors same opportunity to avoid unnecessary costs as pole owners enjoyed
- Reduces per-mile make-ready costs by approximately \$10,000-\$15,000
- If allowed, pole owners will announce “nondiscriminatory” policies banning boxing
- By limiting necessary make-ready work, boxing makes licensing deadlines easier to meet
- Promotes service reliability by countering lateral stress
- Boxing with fiber-optic cables doesn't interfere with pole replacements

# Rental fees are becoming a problem



- Fibertech has been experiencing substantial increases in pole rent from electric utilities
  - In November, one elco raised its rent from \$8.51 to \$30.53
  - In December, another raised its fee from \$7.52 to \$18.47
- One elco increased fees by performing survey and asserting average number of pole occupants was less than 3 (Fibertech surveyed its routes and found average of over 5 occupants/pole)
- Commission's urban/rural rate methodology is a concern now that Fibertech is reaching rural areas
- CATV companies are competing with Fibertech, including in wireless backhaul, but paying lower rent