



## Utility Pole Attachment Costs & Replacements

### **Background:**

Electric utilities empower broadband deployment. Often overlooked, utility poles, towers, ducts, and conduits are all vital for broadband internet deployment by service providers and utilities alike. To reach unserved and underserved areas, electric, water, and gas utilities provide pole attachment and replacement services to third-party commercial communications service providers on a nondiscriminatory, competitive basis. As a result, pole attachment and replacement policies have a definitive impact on the utility industry and can sometimes have adverse effects on the reliability and resiliency of the energy grid.

### **Issue:**

Recently, the Federal Communications Commission (FCC) sought comment on ways to facilitate the resolution of pole replacements and pole attachment rate disputes. In a recent Further Notice of Proposed Rulemaking on Accelerating Wireline Broadband Deployment by Removing Barriers to Infrastructure Investment, the FCC asked for possible solutions to avoid and expedite any pole replacement disputes between a broadband service provider and a utility pole owner.<sup>1</sup> The FCC also asked about the overall scope of refunds in instances where a pole attachment rate, term, or condition is unjust and unreasonable and whether such refunds would be used for replacing a utility pole.

### **UTC Analysis:**

UTC is currently advocating before the FCC and Congress about the important role energy utilities have when it comes to broadband deployment and closing the Digital Divide. With these two issues being two of the Biden Administration's top priorities, UTC wants to make sure its utility and critical infrastructure members are well aware of the changing regulatory landscape when it comes to pole attachment replacement practices.

During the comment and reply comment periods for the FCC's Further Notice, many broadband internet companies filed complaints about being forced to replace a utility pole when attaching fiber optic cable. These companies and other groups argued that the burden of pole replacement costs has increased the cost of broadband deployment to many unserved and underserved areas across America. Broadband internet companies claim these pole replacements are delaying broadband deployment projects and programs.

However, these claims are unsubstantiated, with a lack of key evidence showing pole replacement cost disputes are delaying broadband deployment. Furthermore, it is not at all clear that pole replacement costs are a barrier to broadband and whether shifting costs to utilities will promote broadband access in unserved areas. With many smaller broadband service providers partnering with electric utilities and other groups to deploy broadband internet service, pole replacement costs have become a nonfactor in closing the Digital Divide.

Many of UTC's utility members want to assist in bridging the Digital Divide without negatively impacting the safety and reliability of the energy grid. Energy utilities as a collective are supporting broadband deployment and access to schools, libraries, hospitals, and other anchor institutions by both replacing utility poles that are scheduled for replacement. In the same respect, energy utilities are also providing broadband service providers zero- to low-cost access to their utility poles and infrastructure for broadband deployment to unserved and underserved parts of the United States.

### **Contact Information**

Brett Kilbourne, Senior Vice President for Policy & General Counsel: [Brett.Kilbourne@utc.org](mailto:Brett.Kilbourne@utc.org)

Cordell Briggs, Vice President for Policy &  
Cybersecurity: [Cordell.Briggs@utc.org](mailto:Cordell.Briggs@utc.org)  
Eric Wagner, Manager for Advocacy:

[Eric.Wagner@utc.org](mailto:Eric.Wagner@utc.org)  
Campbell Baskin, Legislative Assistant:  
[Campbell.Baskin@utc.org](mailto:Campbell.Baskin@utc.org)

---

## References

<sup>i</sup> <https://www.fcc.gov/document/fcc-seeks-comment-resolving-disputes-over-pole-replacement-costs>