Utilities Technology Council™

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Utilities Technology Council
Statement for the Record
Senate Committee on Commerce, Science, & Transportation
Hearing on Winning the Race to 5G and the Next Era
of Technology Innovation in the United States

The Utilities Technology Council (UTC) thanks the Committee on Commerce, Science, and Transportation for the opportunity to submit these comments for the record regarding the above-referenced hearing. As the Committee considers the challenges and opportunities regarding deploying 5G services and the necessary related technologies, UTC reminds Members that many locations in the U.S. do not presently have access to reliable and efficient broadband service at all. We urge this Committee to ensure that no communities are left behind in the "Race to 5G."

Established in 1948, UTC is the global association representing energy and water utilities on their needs related to the deployment of reliable and resilient information and communications technology (ICT). Energy and water utilities use ICT networks as the backbone for the infrastructure that delivers safe, reliable, and secure energy and water services. These networks are essential for reliability, safety, resiliency, and security.

UTC applauds the Committee for holding this important hearing. While there is considerable hype around 5G and the services it may enable, there are far too many areas of the U.S. that do not have broadband service at all. Indeed, several UTC members in rural areas are providing external broadband services to their customers because there are few, if any, private telecommunications firms deploying high-speed, quality broadband in these locations.

UTC's membership consists of utilities of all sizes and ownership types, from large investor-owned utilities serving millions of customers in multiple states to publicly and consumer-owned utilities located in smaller towns and rural areas. Although our membership is diverse, they all share the belief that access to affordable and reliable broadband is a key economic driver for our nation. In fact, electric utilities enable broadband access in multiple ways, most notably by providing access to their infrastructure to telecommunications providers. Additionally, where not prohibited by state or local statute, a number of utilities are providing broadband services themselves in areas where private firms have decided not to deploy. Most of these locations are in rural areas.

For electric utilities, the decision to provide broadband services to their customers and beyond is a natural progression because in most cases these utilities have already built communications networks to enhance electric reliability and resiliency; these networks include wireline and wireless services that have narrowband and broadband features. Electric utilities can therefore use both their existing knowledge and, in some cases, their infrastructure to deliver broadband. Importantly, utility broadband services are reasonably comparable to the cost and quality of broadband available in urban areas.

Utilities can be critical partners to broadband deployment in other ways as well. For example, Jackson, Mississippi-based Entergy Mississippi, an affiliate of New Orleans-based Entergy, teamed up

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with technology firm C Spire in an innovative partnership to bring high-speed broadband services in rural Mississippi. Under the arrangement, approved last year by the Mississippi Public Service Commission, C Spire will install fiber-optic and other broadband communications infrastructure along portions of Entergy Mississippi's service territory. Entergy Mississippi will lease the broadband networks for their own advanced electric meters and C Spire will have access to the utility's customers along those routes.

Most obviously, utilities empower broadband deployment by providing voice, data, and cable suppliers affordable access to utility poles found all across the country. Utility poles are essential to delivering reliable and affordable electricity to everyone in the country, no matter where they live. Additionally, many, if not all, of these poles carry cable, broadband, and other services. As this Committee knows, the regulation of these pole-attachment policies is carried out by the Federal Communications Commission (FCC) for poles owned by investor-owned (private, for-profit) utilities. The FCC has issued pole-attachment policies over the last year that the agency claims will increase broadband access.

Unfortunately, these pole-attachment policies are not a panacea to expanding rural broadband. Despite pronouncements that reducing regulatory requirements and fees will spur rural broadband, the reality has proven otherwise. Rather, evidence suggests that lower pole-attachment rates have no bearing on the deployment of rural broadband. Indeed, state governmental agencies have found no conclusive evidence linking lower pole fees to rural broadband expansion. The Virginia State Corporation Commission concluded, in a 2011 report, that, "No persuasive evidence was submitted in this proceeding that proved lower pole-attachment rates would directly result in additional broadband deployment."[1] Additionally, the communications industry has advocated that the only way to bridge the rural Digital Divide is through federal subsidies. Finally, the FCC's own records demonstrate that broadband is not being deployed on a reasonable and timely basis, despite the continued reduction of pole-attachment rates and the imposition of additional requirements.

UTC recommends this Committee, as it looks to encourage broadband deployment, consider the following:

- Support broadband-funding programs that promote the deployment of future-proof networks which provide robust, reliable and affordable broadband services to all Americans; and
- Support pole-attachment policies that promote safety, reliability and security of electric utility infrastructure while accelerating broadband deployment.

Ensuring that all Americans have access to affordable, reliable broadband is just as important today as electricity was for the growth of the nation a century ago. Now as then, electric utilities are critical partners in doing so and stand ready to assist.

UTC thanks the Committee for holding this important hearing and appreciates the opportunity to submit this statement. We look forward to working with the Committee in ensuring that all Americans have access to robust, affordable and reliable broadband networks and services.

[1] "Report on Electric Cooperative Pole Attachment Issues." Commonwealth of Virginia State Corporation Commission, November 1, 2011. Link to text: http://www.scc.virginia.gov/docketsearch/DOCS/2h%40m01!.PDF