# ENABLING CONDITIONS & BIL OVERVIEW



IN PREPARATION FOR BIL BROADBAND PROGRAMS



**SEPT 2022** 



## CONTEXT FOR TODAY'S DISCUSSION

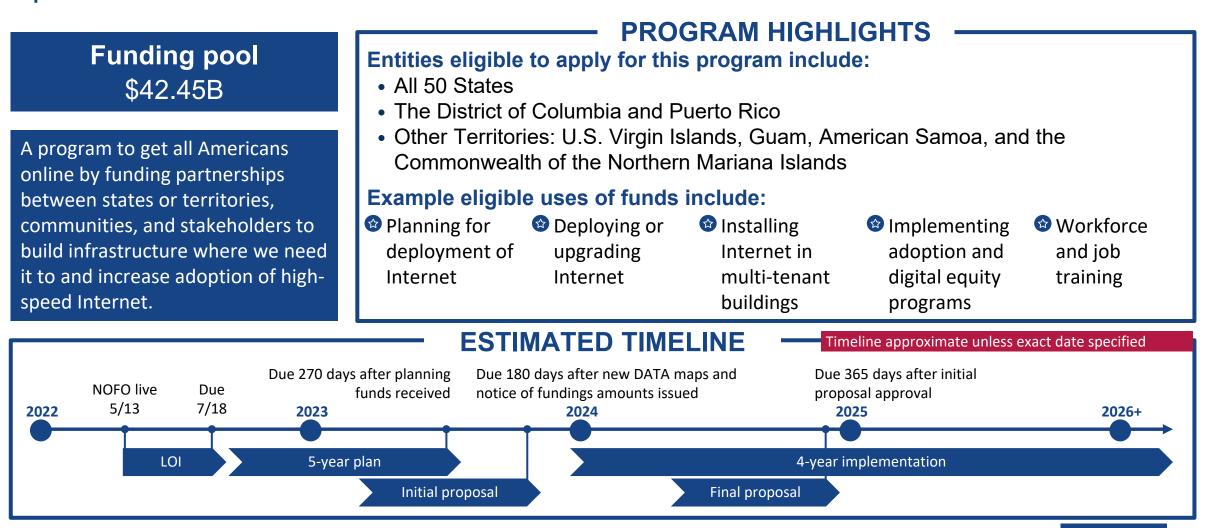
This webinar introduces several important policies and practices that states, counties, and localities can pursue to accelerate new broadband deployment in conjunction with incoming funding from IIJA programs. It is intended as a starting point for further exploration.

Following the Notices of Funding Opportunity (NOFO) for BIL broadband programs, NTIA will provide technical assistance to states to support grant application submissions.

BUILDING A BETTER AMERICA BUILD.GOV

# BEAD program will provide ~\$42.45B for infrastructure planning and implementation





INTERNET FOR ALL

# Digital Equity Act created three programs to promote digital equity and inclusion

Funding pool \$2.75B

Three programs that provide funding to promote digital inclusion and advance equity for all. They aim to ensure that all communities can access and use affordable, reliable high-speed Internet to meet their needs and improve their lives.

### **PROGRAMS HIGHLIGHTS**

• \$1.44B formula funding

promote digital inclusion

State Capacity

#### The Digital Equity Act created three programs:

#### **State Planning**

 \$60M formula funding program to develop digital equity plans

#### Example eligible uses of funds include:

- Developing digital equity plans; states must develop a plan to be eligible for state capacity grants
- Implementing digital equity plans and related activities
- Making awards to other entities to help make digital equity plans

program to implement plans &

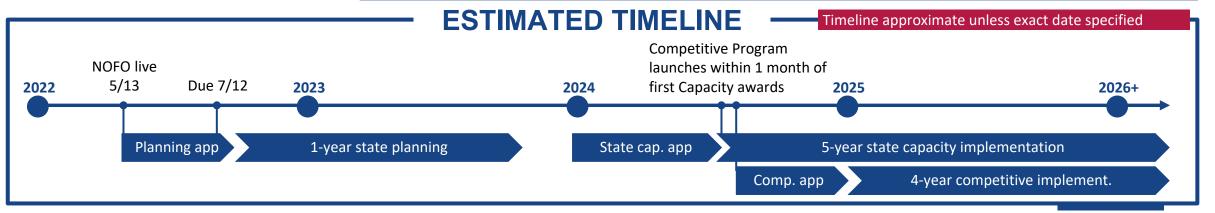
Providing digital literacy and digital skills education

- Competitive
- \$1.25B to implement digital equity and inclusion activities

NTERNET

FOR ALL

- Improving accessibility and inclusivity of public resources
- Facilitating the adoption of high-speed Internet

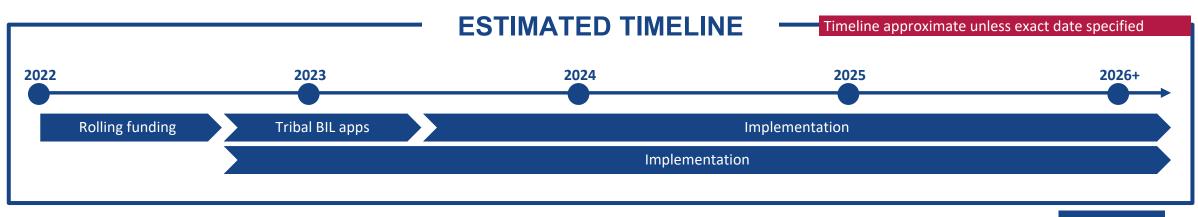




## Technical amendments and new funding will strengthen current Tribal Broadband Connectivity Program

Funding pool \$2.00B	PROGRAM HIGHLIGHTS New funding will be used for additional new grants and to fully fund grants from first round of awards
Φ2.00B         A program to help tribal         communities expand high-speed         Internet access and adoption on         tribal lands.	<ul> <li>Amendments to original program:</li> <li>Relaxes time requirements of original program</li> <li>Allows infrastructure grantees to spend up to 2.5% of the total project cost for related planning, feasibility and sustainability studies</li> </ul>
	<ul> <li>Preserves unused allocated funds for other Tribal broadband projects instead of reverting to the Treasury</li> </ul>

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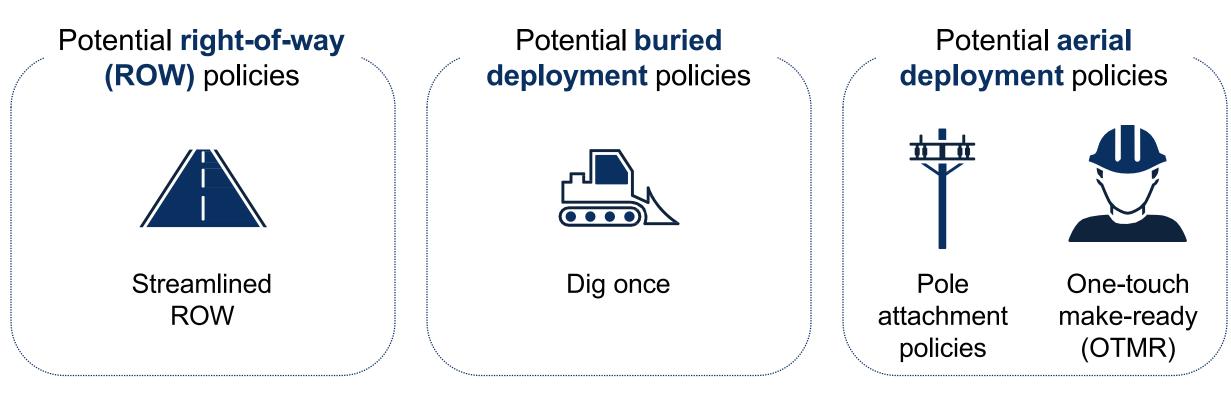
Middle Mile Grant Program will invest in the construction, improvement or acquisition of middle mile infrastructure

Funding pool \$1.00B	PROGRAM HIGHLIGHTS Middle mile infrastructure refers to the mid-section of Internet infrastructure that carries large amounts of data at high speeds over long distances and connects the "backbone" of Internet infrastructure to the "last mile", which connects to end users			
A program to expand middle mile infrastructure, to reduce the cost	Entities eligible to apply include a wide variety of entities, incl. but not limited to government entities, utilities, companies, and non-profits that provide Internet services			
of connecting unserved and	Example uses of funds:			
underserved areas.	Construction, improvement or acquisition of facilities and equipment	Engineering design, permitting and work related to projects	Personnel costs, including salaries and benefits	Other costs necessary to program's activities
NOFO live	Rolling awards no	TED TIMELINE	Timeline approximate	unless exact date specified
2022 5/13 Due 9/30 2023	earlier than 3/1	2024	2025	2026+
Apps		5-yr deployn	nent	





## TODAY'S FOCUS IS ON POLICIES THAT CAN SUPPORT FASTER BROADBAND DEPLOYMENT





**Context is key:** While the policies in this guide have had success in many locations, they are not universally applicable. States and localities should take their specific context into account when weighing benefits and costs.



## JURISDICTIONS CAN CONSIDER POLICIES TO STREAMLINE ROW ACCESS TO REDUCE DEPLOYMENT TIME AND CAPEX

### **OVERVIEW**

Jurisdictions and private owners grant providers easements to access the ROW

They also provide permits to providers or reach lease agreements with them to build broadband infrastructure along the ROW

Jurisdictions looking to **streamline ROW access** can identify and alleviate bottlenecks in these processes while still ensuring safe construction practices

### BENEFITS

- Can significantly reduce deployment time and capital expenditure (CapEx)
  - Can simplify complicated permitting and increase local capacity
  - ✓ Can promote newer practices, such as micro-trenching and small cell wireless facilities, that, when installed correctly, can be faster and more affordable for providers





# WHEN DESIGNING ROW ACCESS POLICIES, CONSIDER PERMITTING, PARAMETERS, AND EXCESS CAPACITY



**Streamlining permitting & inspection:** Consider simplifying the number and complexity of permit applications (the "one-stop shop"), offering expedited permitting for minimally invasive construction practices, and putting in place e-permitting



**Defining parameters:** Consider the appropriate sizing and location of conduit, small cells, and other broadband infrastructure to ensure safety and durability

Many cities, including Los Angeles and New York, define the parameters for micro-trenching, a lower-impact method that, when done correctly, can reduce construction cost and minimize disruptions.<sup>1</sup>



**Requiring excess capacity:** Consider whether to require excess capacity within conduit to ensure that they are "future-proof" (i.e., have capacity to meet future needs)





## DIG ONCE REFERS TO A RANGE OF POLICIES TO ENCOURAGE INSTALLATION OF CONDUITS FOR FUTURE USE

### **OVERVIEW**

Dig once policies encourage or require project owners to install multiple conduits or micro-ducts (or both) for future use

Can apply to any construction (e.g., telecoms, transportation, utilities) along the public ROW, especially highways and roads

### BENEFITS

- ✓ Can reduce future costs by minimizing the need for future construction
- ✓ Can minimize disruption to services
- ✓ Can take advantage of IIJA spending





# FOR DIG ONCE POLICIES, CONSIDER THE IMPLEMENTATION MECHANISM AND THE COST AND OWNERSHIP OF CONDUIT



Implementation mechanism: Influences the policy's stringency and several key structural questions

#### Legislation or ordinance

Typically, a mandate that applies to all construction along the public ROW

More likely to ensure that conduit gets installed

#### **Executive Order**

Typically, the jurisdiction promotes public notice for upcoming work and providers choose to add conduit

Less likely to ensure that conduit gets installed

In North Carolina, a 2019 executive order mandated dig once. For state transportation projects, a provider may decide to install new conduit. In addition, they must provide notice of a joint-trench opportunity, allowing other providers to negotiate a joint access agreement to also install conduit.<sup>2</sup>



Cost and ownership of conduit: Which entity owns and can benefit from the conduit, as well as how to pay for it

#### Jurisdiction

Owning the conduit includes more involvement but also allows the jurisdiction to use it or lease it to providers

#### **Private entity**

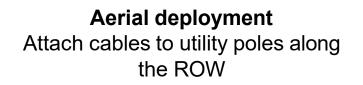
The jurisdiction's role is more hands-off, but does not provide the benefits of conduit ownership

In Illinois, legislation requires state agencies to install conduit for state-funded projects along state-owned roads. The state pays for the conduit, owns it, and leases it to providers with "market-based, non-discriminatory pricing."<sup>3</sup>

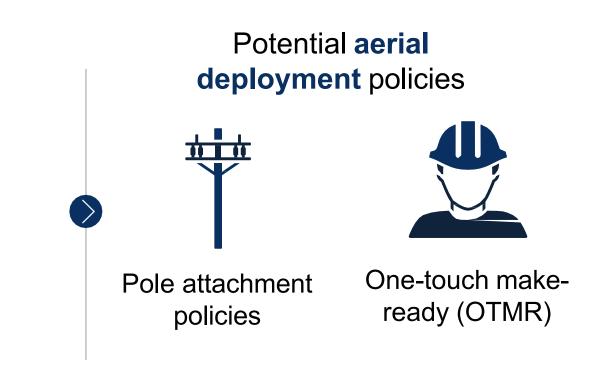




## POLE ATTACHMENT POLICIES AND ONE-TOUCH MAKE-READY CAN HELP STREAMLINE AERIAL DEPLOYMENT



Utility poles with multiple existing services (e.g., telephone, electricity, cable) require policies to regulate pole attachments







## POLE ATTACHMENT POLICIES REGULATE THE PROCESS FOR <sup>V</sup> PROVIDERS TO ATTACH CABLES TO UTILITY POLES

### **OVERVIEW**

Pole attachment policies address rates, access requests, timelines, procedures to mediate disputes, and other terms and conditions

For incumbent providers, they influence operational expenses

For new attachers, they are a potential barrier to entry if they make a proposed project economically nonviable, particularly in unserved rural areas

### **BENEFITS**

#### ✓ Can reduce costs for new deployment

- ✓ Jurisdictions can determine streamlined attachment processes and reasonable rates
- ✓ Work with all interested parties

#### ✓ Can provide certainty

- Consistent pole attachment policies provide clarity to the market
- ✓ All relevant entities are able to incorporate the process into their long-term planning



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Section 224 gives the FCC authority to regulate pole attachments, though states can exempt themselves. 20 states and the District of Columbia have done so.<sup>4</sup>

FCC rules do not apply to cooperatives or municipalities.<sup>4</sup>

In 2019, the FCC adopted an OTMR policy that "permit[s] new attachers to elect an OTMR process for simple make-ready for wireline attachments in the 'communications space' on a pole."<sup>5</sup>

Pole attachment policies and OTMR covered in this presentation **apply to states that set their own pole attachment regulations**, as well as any regulations outside of FCC authority.



# FOR POLE ATTACHMENT POLICIES, CONSIDER REGULATORY



**Regulatory authority:** Jurisdictions need to identify which entity has regulatory authority

• FCC or quasi-public agencies

• State agency

Local authority

- Pole owners
- The Tennessee Valley Authority (TVA) works with the FCC to set rates and other policies for broadband providers to attach to poles owned by local power companies within the TVA system.<sup>6</sup>
- Illinois statutes grant pole attachment authority to local governments and provide specific parameters in which they can operate, such as requiring permitting decisions within 45 days.<sup>7</sup>
- In Idaho, pole owners are in charge of reaching pole attachment agreements with attachers. The state PUC will set rates, terms and conditions, and make-ready costs when the parties cannot reach an agreement.<sup>8</sup>



**Applicability:** Wherever possible, jurisdictions should consider aligning policies for all pole owners, including municipal and cooperative utilities, and work with these groups to address their specific circumstances and needs



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# ONE-TOUCH MAKE-READY DESIGNATES CONTRACTORS TO COMPLETE ALL MAKE-READY TASKS AT THE SAME TIME

### **OVERVIEW**

Make-ready is the logistical, technical, and regulatory tasks needed to prepare utility poles for new cables

It can be an arduous, time-consuming process that slows deployment, particularly in underserved areas

An OTMR policy designates one or more contractors to complete all make-ready tasks at the same time rather than have the pole owner and each incumbent provider conduct their own make-ready sequentially

### **BENEFITS**

- Can reduce make-ready costs for new attachers
  - ✓ The contractor conducts planning and adjusts poles simultaneously

### ✓ Can avoid potential complications

- ✓ Reduces the number of parties involved
- ✓ Empowers the contractor to make choices in the community's best interests

### ✓ Can support new market entrants

 ✓ Without OTMR, logistical challenges and safety concerns can delay new attachers





# WHEN DESIGNING OTMR POLICIES, CONSIDER THE DESIGNATED CONTRACTOR AND ADDITIONAL COSTS



**OTMR contractors:** Jurisdictions or pole owners must determine the appropriate designated entity or entities to conduct the OTMR work

#### New attacher

Under FCC rules, the new attacher can choose to request OTMR and are responsible for all make-ready work

#### **Designated contractor(s)**

The jurisdiction can work with pole owners and incumbent providers to develop a reasonable selection criteria for safety and competence

In 2018, the Hawaii PUC approved a plan for Hawaii Electric, a local electric utility, to take over ownership of roughly 120,000 jointly-owned utility poles from Hawaii Telecom, the state's incumbent local exchange carrier (ILEC). While not officially an OTMR policy, the plan functions similarly in practice, as it removes one entity from the make-ready process in order to make pole management, including new pole attachments, more efficient.<sup>9</sup>



Additional costs: New attachers typically pay make-ready and negotiate additional costs with the relevant parties, such as preexisting safety violations and pole replacement costs Jurisdictions should be aware that additional cost issues will likely arise





## **GOVERNMENTS CAN MAP ASSETS TO ACCELERATE BROADBAND DEPLOYMENT**



More effectively leverage upcoming IIJA funding for broadband and non-broadband projects by IIJA funding identifying opportunities to share construction costs or combine projects



By identifying and mapping assets that providers can leverage, governments can help reduce the cost deployment and length of construction and encourage more private broadband investment by **sharing with or** : leasing public assets to providers (e.g., space on water towers for fixed wireless cells)



Streamline permitting

Leverage

Reduce

costs

Make it easier for governments to complete permitting tasks and, thus, quicker and more affordable for providers, particularly in unserved and underserved areas



Sharing asset mapping data with providers prior to construction can help reduce the risk of damage unintentional to existing assets (the "backhoe risk"), which disrupts vital services and creates costly delays



Governments can use asset map data to strengthen and expand their own broadband networks, government which provide public services, and even grow the tax base, as some broadband assets may be taxable

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# PROVIDERS CAN LEVERAGE A RANGE OF POTENTIAL BROADBAND ASSETS

Broadband assets	How providers can leverage them	
Existing broadband networks	<ul> <li>Access networks through infrastructure sharing arrangements, leases, or indefeasible rights of use (IRUs)</li> </ul>	Governments can consider <b>the</b>
Available conduit/duct systems and dark fiber	<ul> <li>Access excess capacity of dark fiber through leases or IRUs</li> <li>Run fiberoptic or coaxial cables through existing conduit</li> </ul>	type and granularity of information to collect, including:
Public ROW, including roads and bridges	<ul> <li>Use existing ROW without the need for new easements</li> <li>Use existing conduit or planned new conduit along roads</li> <li>Provide wireless antenna support on public structures</li> </ul>	□ Location
Utility infrastructure	<ul> <li>Run fiberoptic or coaxial cables via/through:</li> <li>Utility pole attachment rights</li> <li>Existing sewer or storm drain infrastructure</li> <li>Water or gas distribution ROW</li> </ul>	<ul> <li>Age and condition</li> <li>Utilization of the asset</li> <li>Access constraints</li> </ul>
Anchor organizations	<ul> <li>Serve as an area node</li> <li>Mount wireless antennas, install fiberoptic cable, radio, and other network equipment, and connect to power</li> </ul>	Legal constraints
Tall infrastructure	<ul> <li>Mount wireless antennas, install radio and other network equipment, and connect to power</li> </ul>	





# ASSET MAPPING BENEFITS FROM THE PARTICIPATION OF SEVERAL KEY PUBLIC AND PRIVATE SECTOR STAKEHOLDERS



#### State government

States can map and share data with localities through data exchanges. Key agencies:

- Department of Transportation (DoT)
- Higher education
   institutions
- CIO's office

Data access and sharing can be difficult when multiple agencies manage multiple databases



## County & local government

Asset mapping occurs most frequently at the county and local level. Key agencies:

- Planning, GIS and public works
- County assessors
- Public safety agencies

Counties and localities may also own physical assets (e.g., towers, power, buildings) that providers can leverage



## Dedicated broadband offices

Broadband offices within all levels of government are crucial partners and potential data users

One key role is to **assist grantees** in accessing asset map data and information on deployed assets



#### Providers

Telecoms and cable providers, cooperatives, and municipalities map their assets. Key roles:

- Partner with governments
- Use asset maps to identify assets to leverage
- Share/lease assets
   with/to other providers

Some providers view their data and assets as proprietary and are less likely to share data



Potential asset owners are in energy, agriculture, healthcare, education, and others. Key roles:

- Reach agreements with providers to share or lease assets where feasible
- Partner with
   governments to
   provide data

Potential assets: siloes, grain elevators, steeples, utility poles, microgrids, clocktowers, and land

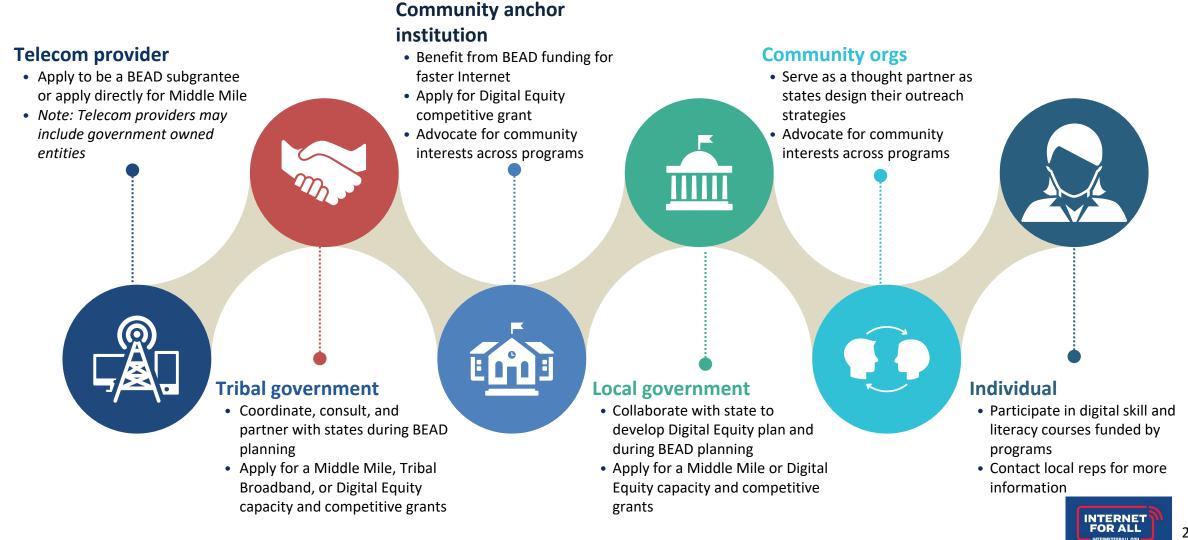


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## There are many ways stakeholders may get involved in the programs



#### Illustrative, non-exhaustive



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