



The Daily Dish

Pole Attachments (Really)

DOUGLAS HOLTZ-EAKIN | APRIL 22, 2024

The Infrastructure Investment and Jobs Act (IIJA) allocated \$42.45 billion to the Broadband Equity, Access, and Deployment (BEAD) program. That constitutes the largest federal broadband spending program and is the latest attempt to bridge the “digital divide.” The basic method is that the National Telecommunications and Information Administration (NTIA) hands out grants to 56 state, district, and territorial governments.

Any time that much money is on the table, there are bound to be controversies in the implementation of a program. BEAD has a good start on this tradition, with members of Congress [complaining](#) that NTIA is ignoring the IIJA’s explicit prohibition on imposing rate regulation on any program for BEAD-funded broadband. While this is ironically the opposite of the usual situation where Congress fails to spell out exactly what it wants, it remains the kind of broad, philosophical dispute one comes to expect.

But controversy number two is literally in the weeds: pole attachments. Jeff Westling has a full treatment in his [latest](#) insight. Here is the Pole Attachments for Dummies version. To deploy broadband to unserved households, the fiber optic cable or wire has to travel the same route to a house as the telephone or electricity, which means that the broadband provider has to attach its equipment to those very same poles. This, in turn, raises two issues: (a) How much can the telephone/electric utility charge the provider for access to its poles? and (b) How fast does the utility have to get the poles ready for additional attachments?

Notice that either could completely blow up a broadband deployment by making it prohibitively expensive or taking too long to accomplish.

Because there have been broadband deployments for years, the Federal Communications Commission (FCC) and the states have already faced this issue and have in place regulations on the rates charged for pole attachments. Similarly, there are rule-defined timeframes for

the so-called “make-ready” work. That’s the good news.

The bad news is that the rate regulations apply only to investor-owned utilities. That means that municipal utilities and electric co-ops - some of which may be competing for the same broadband rollout dollars - are free to charge anything they want for pole attachments. Also, the FCC timeframes apply only to small projects, while BEAD has [spurred deployments that often need access to thousands of poles](#), which removes the rule-defined timeframes.