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For Immediate Release:

Statement from Glenn English, CEO of the National Rural Electric Cooperative Association on the Release of the National Broadband Plan by the Federal Communications Commission

On Tuesday, March 16, the Federal Communications Commission (FCC) released “Connecting America: The National Broadband Plan,” a plan mandated by Congress when it passed the American Reinvestment and Recovery Act. The following is a statement on the plan by Glenn English, CEO of the National Rural Electric Cooperative Association (NRECA).

“Rural electric cooperatives welcome the FCC’s plan to promote access to broadband in rural areas. Co-ops have taken the lead in deploying smart grid infrastructure and understand the benefits that high-speed communications can bring to their operations and the rural areas they serve.

“NRECA supports the goals of the FCC plan for universal broadband without reservation. As rural communities plan for the future and look for ways to remain sustainable in a world increasingly connected to and dependent on the Internet, widening access to broadband will be critical.

“NRECA strongly disagrees with certain recommendations to remove “barriers” to the deployment of broadband, however.

“In a radical break with long-standing law, the plan recommends that Congress revoke cooperatives’ exemption from the FCC’s pole-attachment jurisdiction. The plan offers no compelling reason to revoke this exemption. Congress has continually expressed a clear preference for state and local decision-making in this area – and this preference remains sound public policy.

“The plan recommends subjecting all utilities to more regulation and requiring pole attachment fees to be set at a low, uniform rate, which would result in raising electric rates for consumers who would bear the additional costs that come with such attachments.

“This provision asks electric consumers to subsidize for-profit telecoms and cable companies, whether or not those consumers want broadband service. Further, the plan also offers no data suggesting that lowering these pole attachment fees would actually accelerate broadband build outs in difficult-to-serve rural communities. Even a generously subsidized attachment rate is unlikely to entice broadband providers to serve areas with too few consumers to generate profits.

“In short, the only guarantee provided by the pole-attachment policy is that shareholders of for-profit telecom and cable companies will be happy.

“In addition to unfair consumer subsidies, the recommendations that would give attachers faster access to poles could compromise both the safety and reliability of electric service in the very communities that the FCC is seeking to help.

“As stakeholders in rural communities across the country, electric cooperatives stand ready to help make universal access to high-speed internet service a reality, but we believe the plan for achieving this goal must balance cost, safety and reliability for electric consumers.”

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