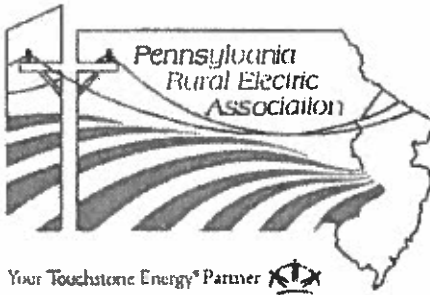


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Pennsylvania Rural Electric Association

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October 29, 2018



Via Electronic Filing

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120

Re: Assumption of Commission Jurisdiction over Pole Attachments from the Federal Communications Commission; PUC Docket No. L-2018-3002672

Dear Secretary Chiavetta:

The Pennsylvania Rural Electric Association ("PREA") submits this letter in lieu of more specific comments in response to the Pennsylvania Public Utility Commission's ("Commission") Notice of Proposed Rulemaking Order entered July 13, 2018 ("*NPRM Order*") in the above-referenced matter.

Established in 1942, PREA is a not-for-profit service organization headquartered in Harrisburg, Pennsylvania which serves as the unified voice for 14 member electric cooperatives in Pennsylvania and New Jersey,¹ providing its members, among other things, legal assistance, federal and state representation, job training and safety, communications support services for employees, directors and cooperative consumer-members, management training, and legislative analysis and support. These member-owned entities provide power and other services across their respective service areas to more than 230,000 rural households, businesses and industries, representing more than 600,000 consumers. The 13 cooperatives in Pennsylvania own and maintain approximately 12.5% of the electric distribution lines in the state, covering nearly one-third of the Commonwealth's land area in 42 counties.

¹ PREA's Pennsylvania member cooperatives include: Adams Electric Cooperative, Inc.; Bedford Rural Electric Cooperative, Inc.; Central Electric Cooperative, Inc.; Claverack Rural Electric Cooperative, Inc.; New Enterprise Rural Electric Cooperative, Inc.; Northwestern Rural Electric Cooperative Association, Inc.; REA Energy Cooperative, Inc.; Somerset Rural Electric Cooperative, Inc.; Sullivan County Rural Electric Cooperative, Inc.; Tri-County Rural Electric Cooperative, Inc.; United Electric Cooperative, Inc.; Valley Rural Electric Cooperative, Inc.; and Warren Electric Cooperative, Inc. Sussex Rural Electric Cooperative, Inc. is a PREA member cooperative located in New Jersey.



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Electric cooperatives are expressly exempt from Federal Communications Commission (“FCC”) regulation under the Pole Attachment Act, 47 U.S.C. § 224 (“PAA”), and the associated regulations at 47 C.F.R. §§ 1.1401-1.1425. PREA and its members are encouraged by the Commission’s express recognition that there is a significant lack of broadband access in rural Pennsylvania, and that such access is critical to rural communities. With that said, PREA offers the following points for the Commission’s consideration as it evaluates regulating pole attachments pursuant to the FCC’s standards:

- **PREA and its member cooperatives support efforts to enhance broadband deployment across the Commonwealth, especially in rural areas.** Broadband is critical to people who live in rural Pennsylvania and has become indispensable to the electric cooperatives that serve them. As the *NPRM Order* notes, over 800,000 Pennsylvanians lack high-speed internet access, a significant percentage of which live in electric cooperative service areas. PREA is committed to working with interested stakeholders to further facilitate, not thwart, the extension of broadband access to rural Pennsylvania.
- **PREA and its member cooperatives would welcome any viable and appropriate solutions that would bring broadband to rural Pennsylvania.** Simply stated, the lack of broadband access in rural Pennsylvania does not result from PREA cooperatives’ actions. The major causes of the lack of broadband access in rural areas are that no telecommunications providers have proposed any viable options or plans to provide broadband service in cooperative service areas, and broadband service providers have not been able to extend existing broadband service to cooperative areas. These causes result in part from economic and structural conditions inherent in the broadband industry. Other challenges and problems experienced in pole attachment matters include prolonged timelines, lack of standardization, enforcement difficulties and high make-ready costs.

In fact, the lack of broadband access is so acute that several PREA cooperatives are actively taking or evaluating steps to bring broadband access to rural Pennsylvania, even though broadband service presents significant financing, operational and other business issues that are outside of cooperatives’ traditional experience and expertise. Cooperative actions in this regard include securing significant financing/grants, evaluating corporate structures and partnerships, and conducting feasibility and financial analyses.

- **Any Commission assumption of jurisdiction over pole attachments should proceed within the existing statutory and regulatory framework.** As the *NPRM Order* correctly recognizes, the PAA expressly exempts electric cooperatives from its reach, and electric cooperatives are not subject to regulation by the Commission under the Public Utility Code. *NPRM Order* at 9 (citing 47 U.S.C. § 224(a)(1)). The *NPRM Order* raises a scope of jurisdiction issue, but it is abundantly clear that no statutory revisions to Pennsylvania law are necessary due to the PREA cooperatives’ express support of extending broadband into rural Pennsylvania and their nascent efforts to directly provide broadband service. In addition to those efforts, PREA’s members have a constructive process in place for communications and cable TV attachments that has proven

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- successful without regulatory oversight. Pennsylvania's cooperatives remain committed to working with carriers on pole attachment issues in the same fashion going forward and will continue to do so regardless of whether or how the Commission assumes jurisdiction in this *NPRM Order*.
- PREA is willing to participate in an ongoing working group across public and private entities to discuss pole attachment issues and ideas. PREA welcomes the concept of a statewide working group as raised in Commissioner Kennard's statement in the *NPRM Order*.

In conclusion, PREA appreciates the opportunity to provide its perspective on matters raised in the *NPRM Order* and looks forward to continuing to coordinate with the Commission and other stakeholders on this important issue.

Sincerely,

A handwritten signature in black ink, appearing to read "David J. Dulick". The signature is written in a cursive style with a large initial "D".

David J. Dulick
General Counsel