



December 11, 2019

Via ECFS

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street SW
Washington, DC 20554

**Re: Notice of *Ex Parte* Submission of the Fiber Broadband Association,
Accelerating Investment in Wireline Infrastructure, WC Docket No. 17-84,
and Rural Digital Opportunity Fund, WC Docket Nos. 19-126 and 10-90**

Dear Ms. Dortch:

On December 9, 2019, a group of members of the Fiber Broadband Association (“FBA”) along with myself and counsel¹ had meetings with Chairman Pai’s Wireline Advisor, Nirali Patel, and with staff from the Wireline Competition Bureau (“WCB”).²

Michael Render of RVA LLC, who has been conducting research on all-fiber networks for over 15 years, began the meeting by discussing the substantial growth in all-fiber deployments across all areas of the country and related market developments:

¹ The following representatives of FBA attended the meetings: Jeff Parsons (Black & Veatch), Mike Wolf (Cincinnati Bell Telephone), Gregg Logan (C-Spire), Tim Grimsley (Dura-Line Corporation), Michael McGannon (Dycom Industries), Katie Espeseth (EPB), Gwenn Amice (EXFO), Nelson Saito (Furakawa Electric), Brad Baumann (Gabe’s Construction Company), Diego Anderson (Lumos Networks), Mark Boxer (OFS), Brendan O’Boyle (Preformed Line Products), Stephen Szymanski (Prysmian Group), Randy Turner (Walker & Associates), David Finn (Google), Patrick Anderson (Go!Foton), Michael Render (RVA LLC), and Thomas Cohen (Kelley Drye & Warren LLP).

² The following WCB staff attended the meeting: Kris Monteith, Terri Natoli, Justin Faulb, Megan Danner, Matt Collins, Ramesh Nagarajan, Janice Gorin, Greg Capobianco, John Visclosky, and Annick Banoun.

- As of September, 2019, 46.5M homes have access to all-fiber networks (about 40% of total homes) – a 16% growth rate over the past year.³
- 20.5M homes are connected with fiber – a 44% penetration rate.
- Over the past year, all-fiber networks became available to 6.5M additional homes – a record level of additions; smaller providers accounted for 25% of these new home connections and 41% of all-fiber capital expenditures.
- Today, Tier I incumbent local exchanges carriers (LECs) account for 70.9% of all-fiber homes marketed, Tier II – 10.8%, Other LECs – 8.0%, Cable – 5.3%, Municipalities – 3.2%, Real Estate Integrators – 1.0%, and Electric Coops – 0.8%.
- All-fiber deployments to various customer end-points are at record levels, with over 400,000 fiber routes deployed in 2018 – driven by new deployments to homes, upgrades by cable operators, and the beginning of deployments to 5G sites.

I explained that this enormous growth in all-fiber connectivity – a 1000x increase in 15 years – has been (and will continue to be) driven by service providers using diverse business models that reflect the different markets in which they operate and customers they serve. FBA members then provided examples of their unique and evolving models. Mr. Anderson of Lumos Networks explained that his company is deploying in rural Virginia, where many of the locations are in less dense areas, and that the high-cost universal service programs of the Federal Communications Commission (“Commission”) have helped the company deploy fiber to a substantial number of these more remote locations. Mr. Logan of C-Spire, which has been deploying all-fiber networks since 2005, discussed its new joint venture fiber project where Alabama Power is providing backbone connectivity and C-Spire is building the last-mile network. Ms. Espeseth of EPB (Chattanooga, TN), a municipal provider, explained that it first deployed fiber for smart grid connectivity and then evolved into providing communications services. Today, EPB serves about 110,000 customers and that a recent study found that its all-fiber connectivity drove \$1B in external benefits for the Chattanooga community and created over 5,000 jobs. Mr. Wolf of Cincinnati Bell, an incumbent, noted that it has used various business models, including use of Commission funding in rural areas, over the past 12 years to deploy all-fiber networks to about 60% of the locations they serve.

These service providers further explained that the Commission helped propel this growth in all-fiber connectivity, first by eliminating the requirement that incumbents share fiber loops,

³ To put these numbers into perspective, in 2003, 50,000 homes had access to all-fiber connectivity. The growth in all-fiber connectivity far surpasses the growth rates for copper and coaxial last-mile transmission connectivity. It took about 40 years for copper connectivity and 25 years for coaxial connectivity to reach 40% of homes.

then by providing high-cost support, and more recently by the 2018 Pole Attachment order.⁴ That said, providers are still seeing too much “friction” that hinders deployments. For instance, certain utilities are slowing providers in connecting customers by requiring them to file a new pole attachment application prior to attaching drops, a time-sensitive process that rarely affects the safety or reliability of a pole. Rather, an “attach and notify” requirement for drop installations is all that is necessary. Another provider explained that a utility has been effectively “redefining” existing electric distribution facilities so that those poles are no longer eligible for attachments pursuant to the federal statute.

The service providers also applauded the Commission for initiating the proposed Rural Digital Opportunity Fund.⁵ Many of them are eager to participate in the program and believe that it is essential to give residents and businesses in areas eligible for support “reasonably comparable” connectivity to what urban areas are receiving and will receive over the 10-year lifetime of the program. They stressed that with almost 50M homes passed today and millions more to be passed each year for the foreseeable future, all-fiber connectivity has become the “reasonably comparable” network, especially when viewed over the duration of the program.⁶ Therefore, they urged the Commission to adopt the weighting methodology proposed by FBA, as supported by the socioeconomic benefits study conducted by Cartesian, which will help drive competitive bidding within the budget for the program and ensure that eligible areas have access to future-proof broadband service.⁷

This letter is being filed electronically pursuant to Section 1.1206 of the Commission’s rules.⁸

⁴ *Accelerating Wireline Deployment by Removing Barriers to Infrastructure Investment*, Report and Order, WC Docket No. 17-84, *Accelerating Wireless Broadband Deployment by Removing Barriers to Infrastructure Investment*, WT Docket No. 17-79, Third Report and Order and Declaratory Ruling, 33 FCC Rcd 7705 (rel. Aug. 3, 2018).

⁵ *Rural Digital Opportunity Fund*, WC Docket No. 19-126, *Connect America Fund*, WC Docket No. 10-90, Notice of Proposed Rulemaking, 34 FCC Rcd 6778 (rel. Aug. 2, 2019) (“NPRM”).

⁶ For further discussion on this issue, see Letter from Lisa R. Youngers, President and CEO, Fiber Broadband Association to Marlene H. Dortch, Secretary, Federal Communications Commission, WC Docket No. 19-126 and 10-90 (Dec. 5, 2019).

⁷ See Comments of the Fiber Broadband Association, WC Docket Nos. 19-126 and 10-90 (Sept. 20, 2019).

⁸ 47 C.F.R. § 1.1206.

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