UTC UTILITIES TELECOM COUNCIL

INFORMATION BULLETIN

Re: FCC ISSUES NATIONAL BROADBAND PLAN
Date: March 16, 2010

The Federal Communications Commission (FCC) issued this morning its National Broadband Plan (NBP), a comprehensive and Congressionally mandated set of recommendations aimed at ensuring that every American has access to affordable broadband services and that government maximizes the use of broadband to advance a number of policy goals, including better public safety and homeland security as well as energy independence and efficiency. The 360-page plan can be downloaded from UTC's Website. The FCC has also posted an interactive version of the Plan at http://www.broadband.gov/plan/.

UTC actively participated in the FCC process leading up to the plan and will prepare a more detailed analysis of the plan over the coming days. In summary, key elements of the plan that UTC members should focus their attention on include:

- Proposed changes in pole attachment rules that put energy reliability at hazard and force some of the cost of broadband services to be paid by all utility customers, even if they do not use the broadband service.
- How customer information privacy will be maintained while allowing them to share it with third parties to help consumers better manage their energy.
- Plans that the FCC has for "hardening" commercial carrier networks to improve their reliability in order to meet the demanding requirements of utility communications needs. Although the FCC has raised the very interesting question of whether commercial carriers can and should be made to meet NERC-CIP requirements, the Plan raises troubling suggestions that state PUCs revisit cost recapture policies in order to tilt the spending table in favor of commercial carriers.
- Calls for federal authorities to further address communications requirements for the Smart Grid. The Plan recommends that the NTIA and FCC continue to identify new uses for federal spectrum and the Smart Grid. The DOE is called on to work with the FCC to study communications requirements for the Smart Grid.
- Recommendations for the creation of nationwide interoperable public safety wireless broadband communications network. Specifically, the Plan says that Congress should consider legislative changes to enable utilities to use the public safety wireless broadband network in the 700 MHz band, subordinated to public safety services.

We are hosting an open Public Policy Division Call to discuss the plan on Friday, March 19, 2010 at 2:30 EDT. For information on how to access the call, please contact Neha Shah at neha.shah@utc.org or at 202.833.6805.

In addition, UTC will host a webinar on March 22, 2010 featuring Nick Sinai, Director of Energy & Environment, FCC National Broadband Task Force. This event will provide utilities with the earliest possible opportunity to find out how the plan could affect utility operations and the future of the Smart Grid. To register for the webinar, please visit http://www.utc.org/fccnbp.

In the meantime, the following summary highlights the key sections of the plan that are relevant to utilities and utility telecommunications. These recommendations fall into the following categories – Infrastructure or Pole Attachments, Energy and the Environment and Public Safety.

Pole Attachments – Recommendations

The FCC has basically recommended that pole attachment rates be lowered and made uniform in order to remove what the Commission deems bureaucratic impediments to the more widespread deployment of broadband service. The Commission has further recommended that procedural reforms be implemented to speed pole attachments and conduit access and to more quickly resolve attachment and access disputes.

The following are the recommendations as summarized in the plan:

Improving utilization of infrastructure

- The FCC should establish rental rates for pole attachments that are as low and close to uniform as possible, consistent with Section 224 of the Communications Act of 1934, as amended, to promote broadband deployment.
- The FCC should implement rules that will lower the cost of the pole attachment "make-ready" process.
- The FCC should establish a comprehensive timeline for each step of the Section 224 access process and reform the process for resolving disputes regarding infrastructure access.
- The FCC should improve the collection and availability of information regarding the location and availability of poles, ducts, conduits and rights-of-way.
- Congress should consider amending Section 224 of the Act to establish a harmonized access policy for all poles, ducts, conduits and rights-of-way.
- The FCC should establish a joint task force with state,Tribal and local policymakers to craft guidelines for rates,terms and conditions for access to public rights-of-way.

Maximizing impact of federal resources

- The U.S. Department of Transportation (DOT) should make federal financing of highway, road and bridge projects contingent on states and localities allowing joint deploymentof conduits by qualified parties.
- Congress should consider enacting "dig once" legislation applying to all future federally funded projects along rights-of-way (including sewers, power transmission facilities, rail, pipelines, bridges, tunnels and roads).
- Congress should consider expressly authorizing federal agencies to set the fees for access to federal rights-of-way on a management and cost recovery basis.
- The Executive Branch should develop one or more master contracts to expedite the placement of wireless towers.

Energy and the Environment – Recommendations

The FCC has recommended that commercial networks be hardened and that commercial carriers be given greater incentives to provide utility telecom services. The Commission also suggested that North American Electric Reliability Corporation (NERC) requirements be examined so that it's clear that commercial carriers are capable of providing critical communications support to the industry. The Plan further says that Congress should consider allowing utilities to access public safety 700 MHz spectrum under terms established by public safety. The FCC suggests DOE study communications requirements so that it can integrate consideration of these into federal Smart Grid policy. Finally, the FCC has issued a number of recommendations to foster greater consumer and third-party access to energy usage data.

The following are the recommendations as summarized in the plan:

Integrate broadband into the Smart Grid

- The FCC should start a proceeding to explore the reliability and resiliency of commercial broadband communications networks.
- States should reduce impediments and financial disincentives to using commercial service providers for Smart Grid communications.
- NERC should clarify its Critical Infrastructure Protection (CIP) security requirements.
- Congress should consider amending the Communications Act to enable utilities to use the proposed public safety 700 MHz wireless broadband network.
- The National Telecommunications and Information Administration (NTIA) and the FCC should continue their joint efforts to identify new uses for federal spectrum and should consider the requirements of the Smart Grid.
- The U.S. Department of Energy (DOE), in collaboration with the FCC, should study the communications requirements of electric utilities to inform federal Smart Grid policy.

Unleash innovation in smart homes and smart buildings

- States should require electric utilities to provide consumers access to, and control of, their own digital energy information, including real-time information from smart meters and historical consumption, price and bill data over the Internet. If states fail to develop reasonable policies over the next 18 months, Congress should consider national legislation to cover consumer privacy and the accessibility of energy data.
- The Federal Energy Regulatory Commission (FERC) should adopt consumer digital data accessibility and control standards as a model for states.
- DOE should consider consumer data accessibility policies when evaluating Smart Grid grant applications, report on the states' progress toward enacting consumer data accessibility and develop best practice guidance for states.
- The Rural Utilities Services (RUS) should make Smart Grid loans to rural electric cooperatives a priority, including integrated Smart Grid-broadband projects. RUS should favor Smart Grid projects from states and utilities with strong consumer data accessibility policies.

Accelerate sustainable ICT

- The FCC should start a proceeding to improve the energy efficiency and environmental impact of the communications industry.
- The federal government should take a leadership role in improving the energy efficiency of its data centers.

Public Safety – Recommendations

The FCC's NBP addresses the broadband needs of public safety and first responders in chapter 16 of the NBP. The Commission notes the vital role that broadband will play in first responder communications, including data and video as an important as adjunct to voice communications. Broadband will change the nature of emergency communications and a national, interoperable broadband network will facilitate these goals.

The following are the recommendations as summarized in the plan:

Promote public safety wireless broadband communications

- Create a nationwide interoperable public safety wireless broadband communications network (public safety broadband network).
- Survey public safety broadband wireless infrastructure and devices.
- Ensure that broadband satellite service is a part of any emergency preparedness program.
- Preserve broadband communications during emergencies.

Promote cybersecurity and the protection of critical broadband infrastructure

- The FCC should issue a cybersecurity roadmap.
- The FCC should expand its outage reporting requirements to broadband service providers.
- The FCC should create a voluntary cybersecurity certification regime.
- The FCC and the Department of Homeland Security (DHS) should create a cybersecurity information reporting system.
- The FCC should expand its international participation and outreach.
- The FCC should explore network resilience and preparedness.
- The FCC and the National Communications System (NCS) should create priority network access and routing for broadband communications.
- The FCC should explore broadband communications' reliability and resiliency.

Encourage innovation in the development and deployment of Next Generation 911 (NG 911) networks and emergency alert systems

- The National Highway Traffic Safety Administration (NHTSA) should prepare a report to identify the costs of deplying a nationwide NG 911 system and recommend that Congress consider providing public funding.
- Congress should consider enacting of a federal regulatory framework.
- The FCC should address IP-based communications devices, applications and services.
- The FCC should launch comprehensive next-generation alert system inquiry.
- The Executive Branch should clarify agency roles on the implementation and maintenance of a next-generation alert and warning system.