

Accelerate Broadband Deployment with Electric Utility Make-Ready Grants

Broadband has become an essential service. A lack of affordable and reliable broadband internet service can hinder a region's economic and educational development. Not only are residents unable to capitalize on the wide array of educational resources available on the internet, but this lack of services also hinders local businesses' ability to remain competitive in today's increasingly internet-dependent marketplace.

Many internet services providers, electric utilities, and other entities are intrigued by the idea of offering broadband in unserved and underserved regions either as an expansion of their own fiber networks or as a new venture. The need for ubiquitous broadband service has intensified due to the COVID-19 pandemic with more work-at-home, remote schooling, video streaming, telemedicine, and other at-home connections than ever. These increases have highlighted weaknesses in our broadband infrastructure, especially in the rural areas of our country. As a response, we have seen federal and state initiatives addressing broadband gaps, including increased availability of construction and operating grants. We expect these grants to continue to expand and possibly include regulatory changes.

The core market barrier to advancing broadband is cost. The largest cost, especially in the rural areas, is the substantial FTTP capital cost that requires a long-term investment. Frequently, a substantial portion of that cost is due to the required make-ready work to utility poles to support FTTP attachments.

Electric utility make-ready refers to moving existing cable attachments on utility poles and utility pole replacements in order to maintain separation between new and existing communication cables and to maintain clearances from the electric distribution lines in accordance with the National Electrical Safety Code (NESC). Performing a make-ready analysis is time consuming, and the implementation of required make-ready is often costly.

Make-ready cost recovery is not included in annual pole attachment fees and is passed through to the party that is requesting the new attachment (such as the internet services provider, electric utility, or other entity). Given the time and cost of make-ready, many providers and contractors attempt to bypass this critical step. But in the effort reduce costs and compress the schedule, providers may end up compromising the reliability of both the broadband network and the electric distribution system. It is by far the most misunderstood and overlooked part of a FTTP deployment.

We encourage the FCC, NTIA, RUS, state entities, and others that are considering grants for advancing the availability and affordability of broadband to examine the criticality of make-ready grants for electric utilities. Make-ready grants could better prepare electric utilities in supporting fiber attachments from multiple providers, reducing costs for new FTTP deployments, and reducing the time to deploy and enter a new market. We are happy to discuss the importance of make-ready and how make-ready grants can accelerate broadband deployments. Please contact us by emailing or calling Tom Asp at aspt@powersystem.org or (847) 922-3978.