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Just a handful of the many Lycoming County residents who want to see expansion of broadband service attended a meeting in Williamsport Tuesday night to consider plans for making such a goal come to fruition. Jack Maytum, senior broadband analyst, Design Nine Inc., outlined strategies for connecting a wireless and fiber network across the county.

SEDA-Council of Governments as well as Lycoming, Union, Clinton and Northumberland counties are conducting the broadband survey for the region. An initial meeting was held in July. Bringing high speed to rural areas is vital, Maytum said, especially in helping businesses in those locations grow and provide better service to customers. Another desire for the service comes from a public safety point of view. The goal is to bring the best service to the most people.

Maytum said in building out the high-speed communications network it’s possible to use cell towers while also erecting new infrastructure. A draft plan pointed to three sites in Lycoming County where the initial broadband expansion could occur. The sites in the city’s industrial park, Wolf Township and Pine Township would require the building of 10 towers and upgrading of several others. The cost would be $2.3 million, Maytum said.

Several people questioned why those sites were proposed when other areas of Lycoming County are far more under-served by high-speed broadband. Maytum noted that those three areas could be used to

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project how much it would cost to connect the entire county. “It’s just a draft plan,” he said. “This is not a done project.”

Many people initially resistant to high-speed broadband now see its benefits, according to Maytum. Lycoming County Commissioner Rick Mirabito said he’d like to see it happen soon across Lycoming County. “It’s an exciting first step into interconnectivity,” he said. He noted that coming up with a solid plan can be the key to financing the project and finding other funding sources.

The ultimate goal, Maytum said, is to bring a fiber network to everyone. “In order for wireless to survive you need a robust fiber network,” Maytum said. “You need both to have a robust communications system.” – ***Williamsport Sun-Gazette***

A legal battle brewing in upstate New York over the use of municipal utility poles could have nationwide repercussions as private telecom companies seeking to build fifth-generation wireless networks contend with city governments that say they aren't being fairly compensated.

A lawsuit filed by Verizon against the city of Rochester last month marks the latest in a string of cases pitting telecom giants against cities that want more autonomy over fees charged for the deployment of small cells on poles controlled by local governments. Unlike current, fourth-generation wireless technology, which uses existing cell towers and can send signals across long distances, implementation of the next stage, known as 5G, will require installation of new cells. They're smaller than previous ones – sometimes the size of a backpack – but 5G requires that hundreds be deployed, in close proximity to each other.

This means that cities that want faster connectivity must grapple with more frequent use of their utility poles and other infrastructure and more construction on roads where companies want to bury fiber optic cables. And companies who want to win the so-called "race to 5G" must navigate an uneven regulatory landscape in which municipalities have a range of requirements for use of utility poles and other types of public infrastructure.

Verizon's suit against Rochester claims that an ordinance passed by its city council in early February violates a 2018 order by the Federal Communications Commission that limits the annual fees a city may charge for deployment of small cells on utility poles to $270 per piece of equipment. The city's ordinance allows fees of $1,500 for the use of each utility or light pole.

In its lawsuit, Verizon claims Rochester's fees would effectively prohibit the company from doing business there. But Justin Roj, a city spokesman, told CQ Roll Call that the city is "dedicated to ensuring its infrastructure is protected and maintained to benefit taxpayers." "Other communications providers are complying with the law while building out their networks and paying the necessary fees," said Roj. "The city is confident in our position against this frivolous lawsuit."

The case in Rochester represents an increasingly common public-private struggle in the race to 5G as the Republican-led FCC seeks to remove what Chairman Ajit Pai says are burdensome local regulations that could cause the United States to fall behind China. But in paving the way for 5G networks, he has been criticized for favoring the companies who will profit from them.

The 2018 order on which Verizon's suit against Rochester rests was the centerpiece of Pai's efforts to remove local regulatory barriers to 5G. He argued that some local laws violate a federal statute that says fees charged by states and cities for the use of their poles cannot be discriminatory or designed to fill budget holes unrelated to telecommunications. "To be sure, there are some local governments that don't like this order," Pai said at a meeting last September. "They would like to continue extracting as much money as possible in fees from the private sector and forcing companies to navigate a maze of regulatory hurdles in order to deploy wireless infrastructure."

But the numerous municipalities that opposed Pai took issue with his characterization, arguing that the order would impede their ability to oversee public property and ensure the safety and well-being of their residents. "The decision will transfer significant local public resources to private companies, without securing any guarantee of public benefit in return," the National League of Cities said in a statement.

In Rochester, for instance, where the winters can have brutal effects on roads maintained by the local government, installations of underground wireless technology can mean extra costs for cities. By raising more money from fees, Rochester claims it can better maintain its property. "This is a serious problem with people digging up the same right of way every other day and not repairing it," the city's attorney, Tim Curtain, told The Democrat & Chronicle, a local newspaper.

Samir Saini, New York City's former chief information officer, says giving municipalities authority over their interactions with wireless companies is a "win-win." "It empowers cities to protect public property, dramatically expand wireless coverage, guarantee safety and aesthetic protections for their streets, and bring in pole rental revenue," he wrote in a post on Medium last year. "Meanwhile, telecommunications companies densify their networks, expand their footprint, and grow their revenue."

In response to the $270 limit on utility pole fees, around 20 cities and counties sued the FCC – that case is proceeding in the 9th Circuit Court of Appeals – and Democrats in Washington rushed to their aid. In June, Sen. Dianne Feinstein, D-Calif., introduced legislation to nullify the FCC order and "restore state and local control of these decisions, where it belongs."

Although Rochester and other cities have chosen to oppose the FCC's ruling, not every local government is mimicking their response to the arrival of 5G. Fewer than 100 miles away, the city of Syracuse is seeking to become the nation's first fully 5G city by striking a deal with Verizon that will allow the company to install around 600 small cells on light poles in the next five years. The deal, approved by the city council in May, is a priority for Mayor Ben Walsh's "Syracuse Surge" campaign to drive economic growth through better technology. But it was struck at the levels dictated by the FCC in 2018 after the city repealed a previous policy that would have garnered $950 per small cell, according to the Syracuse Post-Standard.

Assuming Verizon deploys all 600 pieces of hardware, the deal will generate $162,000 in annual fees for the city, plus an additional $300,000 in application fees, the Post-Standard reported. Under its old policy, Syracuse would have made $570,000 on annual fees alone. Some observers have questioned whether Syracuse could have struck a better deal even in spite of the FCC order, which limited the city's bargaining power. Ken Schmidt, an upstate New York resident who consults with landowners and local governments on cell tower lease negotiations, says the situations in Rochester and Syracuse couldn't be more different. "Syracuse appears to have signed almost exactly what was put in front of them by Verizon without contending it. And they entered into a sub-standard deal," Schmidt told CQ Roll Call. "Contrast that with Rochester, which seems to be sticking to its guns."

Schmidt suggested that Rochester's ordinance, which was passed almost six months after the FCC order, almost appears to be an attempt to test the federal government's limits. A court may allow Rochester's fees to remain in place, he said, as long as the city can "demonstrate why the additional charges are fair." But given the laws undergirding the FCC's order, Schmidt isn't confident Rochester's ordinance can withstand Verizon's challenge. "The burden is on the city to demonstrate conclusively that those fees are justified by actual cost," said Schmidt. "It doesn't appear that they did." – ***CQ-Roll Call***

The Federal Communications Commission is taking aim at free conference-call services it says exploit a regulatory loophole that sticks large telecommunications companies with expenses. The new rule that goes before the commission for a vote Thursday is designed to disrupt a business model under which some free conference services direct calls through small rural carriers.

The rural companies collect fees from the telecom company used by the caller for handling their long-distance calls. Under some arrangements, they have shared some of that revenue with free conference-call services. Callers pay nothing extra; they typically have a flat-fee service agreement with a major telecommunications company and aren't charged more if a call is routed through a rural carrier.
Major telecoms such as Sprint Corp., AT&T Inc. and Verizon Communications Inc. have been urging the FCC to end what they say is an inefficient system. "There is no legitimate economic or engineering reason why carriers, and ultimately consumers, must pay outdated tariffed transport charges to carry incredibly large volumes of traffic to these remote areas," AT&T said in comments to the commission.

The new rule would force rural carriers to bear more cost for high call volume. If approved Thursday, the rule would take effect within months. It isn't known how conference-call services would respond. Consumers have other options. Alphabet Inc. 's Google, for instance, offers free conferencing over the internet and isn't a target of the FCC's proposed rule change. Companies that would be affected could sue the FCC to try to block the rule, or try to comply by rejiggering their arrangements with phone companies. They could still offer free services by making money in other ways, such as through advertising or add-on products.

David Erickson, chief executive officer of FreeConferenceCall.com owner CarrierX LLC, said his service already charges for add-ons such as audio transcription and greetings, but the FCC's changes could significantly hurt his business. He said a range of users, from religious groups to government agencies, use his service because it is less expensive than conferencing services from AT&T and Verizon.

Mr. Erickson said his service handles eight billion minutes of phone calls each year bound for switches in Iowa and South Dakota. Five phone companies in those states told the FCC they handle traffic from about five million people each month using Mr. Erickson's or similar services. "They're going to throw the whole business into disruption," Mr. Erickson said.

The FCC says the free services aren't truly free: Large phone companies and their customers are paying for them. "While 'free' services are of value to some users, these services are available at no charge because of the implicit subsidies" the rule seeks to eliminate, the agency **says in an order** explaining the proposed changes. Current rules, in place for decades, were intended to end monopoly control over the U.S. phone system.

Regulators invited competition for long distance calls, but wrote rules to make sure rural providers that bear high costs for maintaining service over wide areas are adequately compensated for handling inbound calls. For example, when a Verizon customer in Baltimore calls a number in South Dakota, the rural carrier is paid for routing the call.

In the early 2000s, some conference-call services and rural phone companies joined forces to take advantage of the rules. The services gave users a number with a rural area code, ensuring the calls would be routed to rural carriers. Under the FCC rules, major phone companies paid rural carriers for each call. The conference-call service and rural company split the proceeds.

Large phone companies responded with lawsuits and lobbying. The FCC began investigating the activity as early as 2007. In 2011, it lowered the fees that could be charged by companies engaged in the practice, known as "access stimulation" or "access arbitrage." The 2011 rules didn't stop conference-call services from steering users' calls to rural areas. "They realized they were compliant with the new order, and they built their businesses," Mr. Erickson said of the rural providers. "Somehow that makes us out to be bad guys."

Rural phone companies also oppose the FCC's latest proposal, saying it would deprive consumers of a free service, but wouldn't lower prices overall because large carriers are likely to use money they save to offset increasing losses from consumer cord-cutting. They said the rule could benefit large phone companies by driving customers to pay for conference calling, or by driving conference-call services to strike deals with bigger companies.

James Groft, the CEO of South Dakota-based Northern Valley Communications, said his company is investing in broadband service for an area where it isn't widely available, but it would become unprofitable if the FCC rule takes effect. "Being unprofitable means all that possible investment and service is at risk for all that community," he said in an interview. – ***Wall Street Journal***

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