



Georgia Department of Transportation

Modernization of Right of Way Use Fees

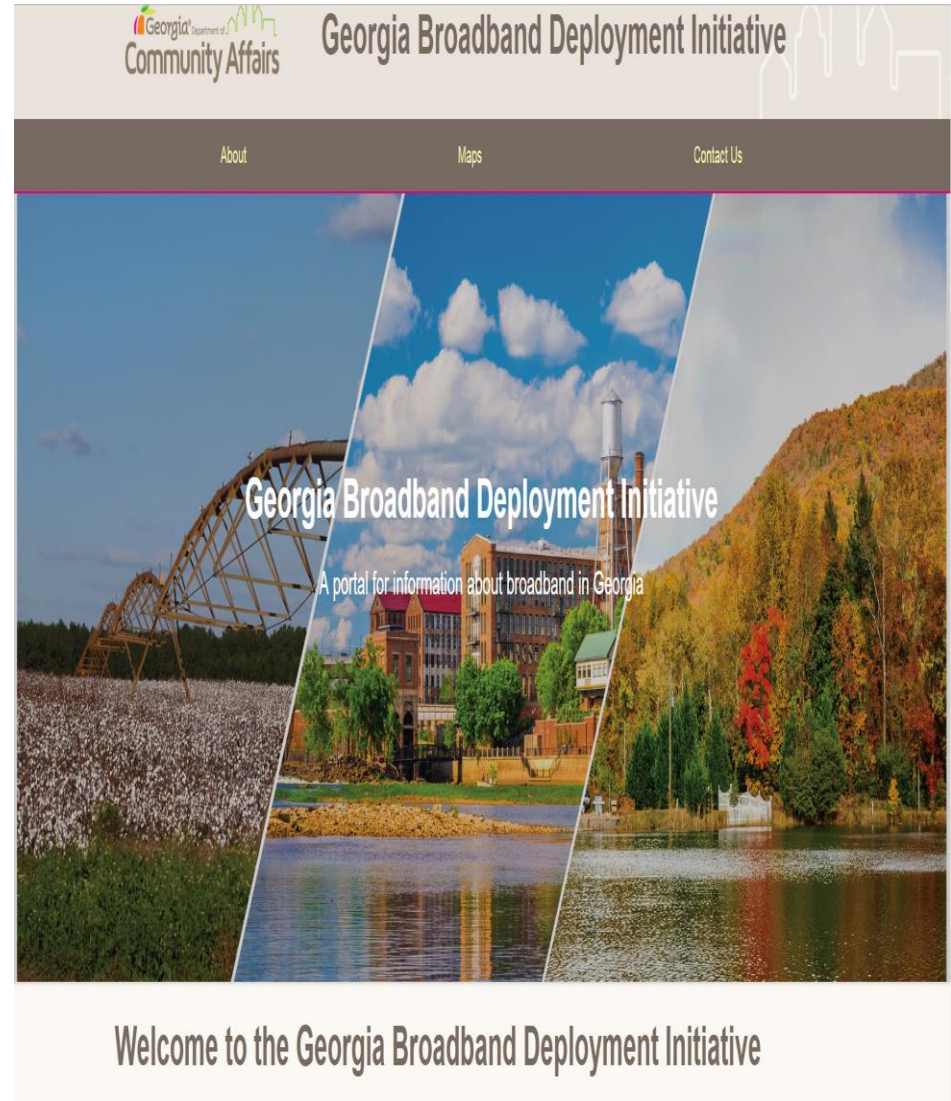
Patrick Allen, P.E.

State Utilities Engineer



Modernization of ROW Use Fees

- STB Rule 672-11 Fee Structure
 - Modernize
 - Streamline
 - Consolidate
- Connectivity Across Georgia
 - Thousands of Miles Telecommunications and Other Utility infrastructure on GDOT Rights-of-Way



Objectives

- **Recap Last Discussion**
- **Discuss what we've done since**
- **Recommend a Process Revision**
 - **Rule 672-11**

47 U.S.C. Telecommunications

- **Telecom Act of 1934 – FCC created**
 - Telephone and radio connections nationwide
 - American Telephone and Telegraph Company

- **Telecom Act of 1996 – Internet**
 - Deregulation - Competition – “Telecom (Fiber) Boom”
 - Preemption of Local authority
 - “Require fair and reasonable compensation from telecommunications providers”

- **2018 – Accelerating Wireless Broadband Deployment**
 - Establishes “shot clocks” for permitting
 - Presumably reasonable fees/rates



U.S. Telecommunications Act of 1996



encourage deployment of advanced telecom capabilities, including broadband to all Americans
Goal: “intramodal” competition – voice over circuit switched net, local/long distance



emerging “intermodal” competition –
wireless vs wireline
VoIP vs wireline and wireless
IPTV vs cable TV

growth in broadband Internet access to U.S. homes



Chapter 672-11 Maintenance, Relocation, etc. of Facilities of Public Utilities

672-11-.01 Definitions

672-11-.02 Long Distance and Trunk
Communications Cables, Issuance of
Permits

672-11-.03 Long Distance and Trunk
Communications Cables; Permit Fee
Schedule

672-11-.04 Alternate Procedure for
Assessing Fees

DIVISION OF OPERATIONS

OFFICE OF UTILITIES



Utility Accommodation Policy and Standards

2016

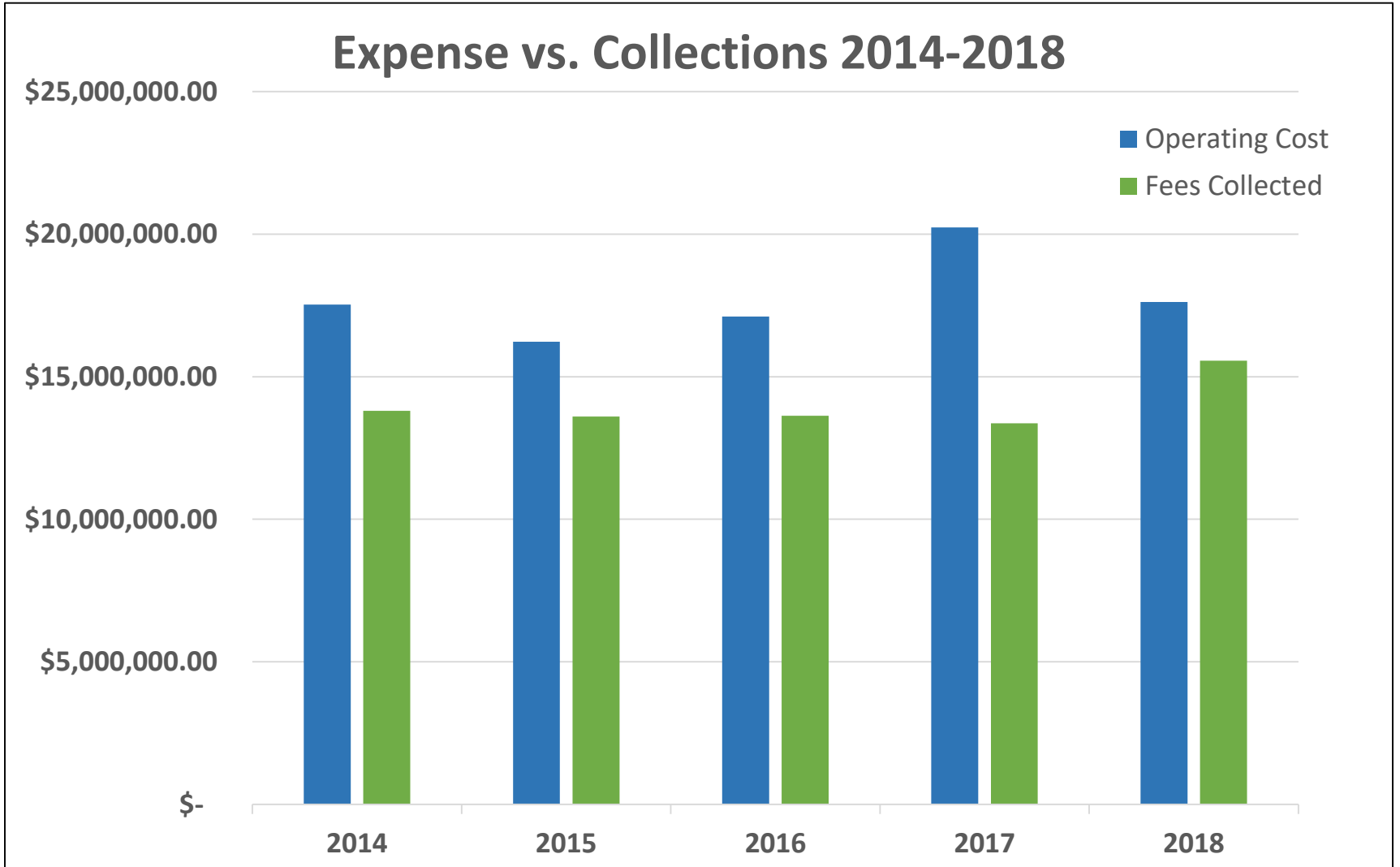


Recap

- Multi-pronged examination of ROW Use Fees
 - Potential Fee Structure(s)
 - Facilities Per Mile
 - Per Permit
 - Formula based with Indexing
 - Land Value Based
 - Operational Costs
 - Technological Advancements
 - Assessment of National Research



Operational Expenditure Analysis



Technological Advancements & National Research

Redefine Trunk Communications and Long Distance Cable

- “Broadband” = High Speed internet Access
 - Copper Lines
 - Coaxial Cable
 - Fiber optics
 - Wireless

Data



Broadband Services: *Wired or wireless service that consists of the capability to transmit data to and from end users and in combination with such service provides: (1) Access to the internet; (2) Computer processing, information storage, or protocol conversion; or (3) Any application or information content to be provided over or through broadband.*

Land Values

Examined Land Values across the state

- Tax Assessor Data
 - Project Right-of-Way Expenditures
 - Urban
 - Rural
 - Residential
 - Commercial
 - Agricultural
- ❖ Cost per acre varies greatly across the state



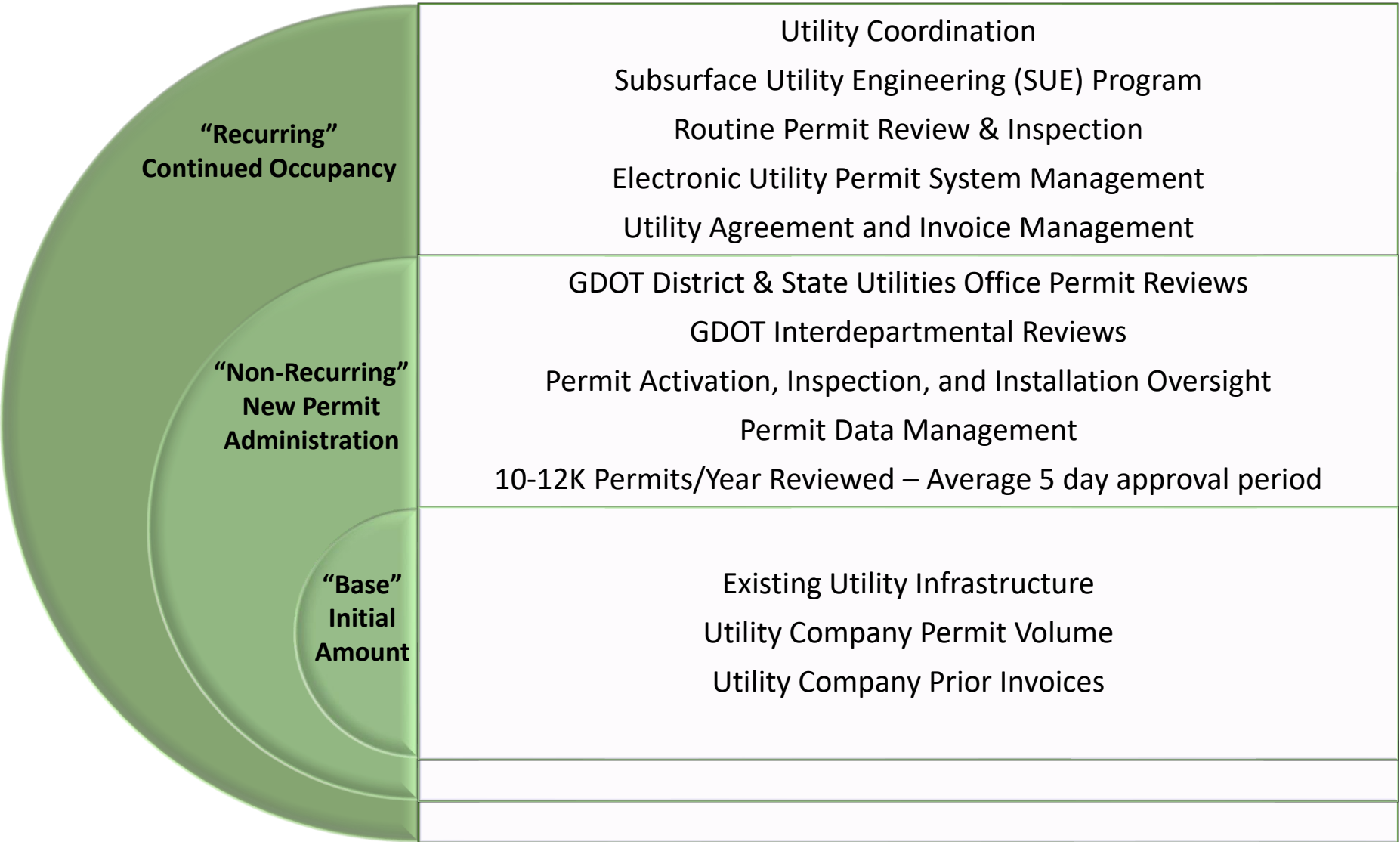
Formula Based with Indexing

- Producer Price Index (PPI)
- Consumer Price Index (CPI)
- National Highway Construction Cost Index (NHCCI)
- ❖ No clear “across the board” utility applicability

Per Permit Based Fee

- Proportional Share of Operating Costs
- Technology Agnostic
- FCC Declaratory Ruling
- Streamlining Wireless Act (SB 66)
- ❖ Viable path forward





Per Permit Fee with Recurring Rate

- ✓ Allows for uniformity in programmatic impact
- ✓ Provides more predictable rates for the industry
- ✓ Technology agnostic
- ✓ Consistent with FCC Declaratory Ruling
 - “Presumably Reasonable” Maximum Permit fee
 - “Presumably Reasonable” Recurring Rate
- ✓ Consistent with Streaming Wireless Act (SB 66) – Local Government Only
 - Establishes Maximum Application Fee
 - Establishes Maximum Recurring Fee
 - 2.5% Annual Increase
- ✓ Operational Cost Compatible
- ✓ Gradual Implementation

Next Steps

- Industry Outreach
 - Fall 2019
- Board Rule Revision Process, if needed
 - Q1 2020

Questions

