Written Testimony of John Stuart President and CEO MTE Communications

Before the House Committee on Natural Resources, Subcommittee on Federal Lands Legislative Hearing on H.R. 4141, the Broadband for Americans Through Responsible Streamlining Act

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Chairman Tiffany, Ranking Member Neguse, and Members of the Subcommittee, thank you for the opportunity to appear before you to testify in favor of *H.R. 4141, the Broadband for Americans Through Responsible Streamlining Act* and, more generally, about the need for reforming the permitting process for broadband infrastructure projects on federal lands and in existing rights-of-way. The legislation under consideration provides measured and reasonable streamlining of federal permitting rules to ensure broadband can be deployed quickly to unserved and underserved communities.

Introduction

I am John Stuart, President and CEO of MTE Communications (MTE) based in Midvale, Idaho. I am also testifying on behalf of WTA – Advocates for Rural Broadband, on whose Board of Directors I serve. WTA represents more than 370 small rural telecommunications providers from across the county. I am also the former President of the Idaho Telecom Alliance and currently serve as its Past-President. I have worked in the telecommunications industry for my entire life while also being involved in many community organizations including the City of Weiser's Planning and Zoning Commission and two volunteer firefighter departments.

MTE was started 114 years ago to mainly provide switchboard telephone services to farmer owned multi-party telephone lines. In 1943, Verde and Charlette Williams, my grandparents through marriage, purchased MTE and were active in the company until Verde's passing in 1991. In 1977, my mother, Mary Williams, and her husband, Lane Williams, moved back to Midvale to run the company. In 1987, I moved my family to the area to join the company.

In the early 1980's, MTE acquired its first loan from USDA's Rural Utilities Service (RUS), which was used to upgrade the outside plant to enable single party telephone service and install our first digital switch. Throughout the 1980s and 1990s, our company made a concerted effort to expand telephone service to the unserved areas of our regulated service area. These efforts include expansion of MTE's service territory to several unserved and underserved communities in rural Arizona through greenfield builds and one acquisition. Over the past decade, MTE's focus has been to upgrade our network to last-mile fiber-optic facilities in order to provide the latest services over broadband. Over the years, our network has been upgraded to where our broadband now reaches Gigabit speeds via fiber facilities. In 2008, the owners of MTE sold the company to the employees creating an Employee Stock Ownership Plan (ESOP). The ESOP is now 100% owned by the employee trust.

Today, MTE's combined regulated service area in Idaho and Arizona is over 2000 square miles and includes over 3800 customers. MTE also provides services in several areas competitively using copper, fiber, and wireless technologies.

There are nearly 800 family-owned and cooperatively-owned rural broadband providers, very similar to MTE, around the country. We serve these rural communities because the large, regional and national providers avoided them due to the lack of a business case for serving such sparsely populated areas. We would not be able to provide the level of service we do without the federal Universal Service Fund, which is administered by the Federal Communications Commission. We also make use of various rural broadband programs run by the U.S. Department of Agriculture, and many of my industry colleagues are looking forward to participating in the historic Broadband Equity, Access, and Deployment (BEAD) Program created by Congress in the Infrastructure Investment and Jobs Act.

Importance of Broadband

I've made more than a few trips to Washington, D.C. over my career. While there are many subjects that people disagree on in this city, I have noticed that one thing most everyone is in agreement on is that all Americans need to be connected to high-speed broadband. It is vital for communication, public safety, commerce, health care, education, and more. I'm heartened that Congress and the Biden Administration have made it a priority through various federal programs to connect every American household to the Internet within the next four to five years. This is a bold goal, and it's the right one. However, the time it takes to acquire permits to cross federal lands puts this goal in jeopardy. Current interpretation and implementation of federal environmental and historic preservation laws impose unreasonable and unnecessary delays and costs.

Permitting Reform is Needed

In general, when small broadband providers like MTE build networks, we bury fiber underground to the extent we can. In some instances, we string fiber along existing poles. In more remote, rugged areas, we might use fixed wireless or even microwave technology. Regardless of the technology deployed, we are nearly always making use of existing rights-ofway or looking to co-locate equipment with existing buildings, towers, and other facilities. Very rarely are we ever digging trenches through previously undisturbed ground or looking to put towers where there isn't any existing infrastructure.

Because of our location in the rural, mountain west, we often need to cross federal land, usually administered and managed by the Forest Service or the Bureau of Land Management, but also land administered by other federal agencies. Even when federal land is not involved, the networks built by small internet service providers (ISPs) that receive support from federal broadband programs like USDA's ReConnect Program or NTIA's BEAD Program will trigger reviews under the National Environmental Protection Act (NEPA) and National Historic Preservation Act (NHPA).

These reviews greatly increase the length of time it takes to complete projects and the cost of building our networks. In general, after filing for permits, companies like MTE expect waits of 18 months to two years, if not longer, to receive permission to start construction. In states like Idaho, where the construction season is short, these delays have an even greater impact because they can push the start of construction off for another six to eight months. While the delays and additional costs are frustrating for small ISPs and should frustrate federal policymakers and taxpayers, the brunt of these delays are borne by the Americans who wait years longer than they would have otherwise to get the broadband they so desperately need.

Over the years that MTE has expanded service to unserved communities, we have financed both environmental and cultural surveys and studies of the rights-of-way where we have placed underground facilities. All these activities add time and cost to the deployment of service. Some added multiple construction seasons to the projects. Most of the rights-of-way where our facilities have been placed mainly contain non-native fill materials from the road construction. Routine road maintenance often involves spraying herbicide to keep vegetation back from the road.

In one instance, we were required to bore through subsurface rock along a state highway within the right-of-way next to an active rock quarry used by the Idaho Transportation Department. This was required to avoid a reported native American rock chipping site, even though the entire area within the right-of-way has several feet of non-native fill material. The study and review added more than a year to the project completion.

Another more recent example is our Round II ReConnect award to provide fiber-to-the-home service in four geographically diverse service areas. Under RUS rules, environmental clearance must be received for the entire award area before any final engineering can be completed. In one of the service areas, the preliminary design forecasted the underground facility to be placed along the edge of a road on federally controlled land that homeowners use daily to access their residences located on private land. The road crossed approximately 400 feet of an identified

cultural site outside the road area. The review process not only added tens of thousands of dollars to the cost of the deployment of service, but it also delayed the start of the entire \$10 million Reconnect package by two years in the other service areas and has delayed the start of service deployment in the impacted area by three years.

Unfortunately, MTE is not unique in this regard. Another small, rural company in our industry reports that it took two years to get permission to bury fiber along an existing power line corridor.

Another company, located in eastern Oregon in Congressman Bentz's district, had a permit for existing conduit on federal land, but had to file an additional permit to put new fiber through it. The company applied in the fall of 2018, hoping to get the work completed by the summer of 2019. The permit wasn't approved until October of 2020, which, because of the short construction season, delayed construction until 2021.

A third company applied for a permit to bury 120 feet of fiber in February of 2018 in previously disturbed ground. It did not receive the permit until October 2019, some 20 months later.

Another company waited about 16 months to receive a federal permit to string 150 yards of fiber on existing power lines.

In another example, a company applied to put a larger microwave antenna on an existing tower. Neither the height nor the footprint of the tower was going to change, but it took 12 months for the Forest Service to approve this request.

This is, by no means, an exhaustive list.

Not only does the current permitting process delay access to much needed service, it adds cost to network buildout. For MTE's ReConnect project mentioned earlier, the additional costs amounted to over \$20,000.

Another family-owned company is in the process of completing a project also funded by USDA's ReConnect Program. They are required to hire an archeologist to survey various points along the 120 miles of their project to ensure no artifacts are present despite the construction being within state and county road rights-of-way. This will likely add over \$100,000 to the cost of the project. This ground has presumably already been surveyed and disturbed during construction of the roads.

If rights-of-way have already been established and past construction of roads and existing utilities have already required surveys and disturbed the ground, it is inefficient to require additional reviews. Every federal dollar diverted to duplicative permitting requirements is another dollar that is not invested in networks. This constrains the reach and effectiveness of the broadband programs that Congress authorized. For this reason, the rural broadband industry I represent support the objectives of H.R. 4141, which provides a streamlined process for environmental and archeological reviews for broadband projects in previously permitted and disturbed ground and existing rights-of-way.

Conclusion

In closing, I understand that if broadband providers are seeking to bury fiber or construct infrastructure in untouched, undisturbed areas, that it is proper to survey the area for historic preservation purposes and potential environmental issues. But the vast majority of broadband construction does not take place in pristine, untouched land. Roads and other utilities have already been approved and permits granted.

MTE, and companies like it, serve rural America because the people who work for them live there. We want to ensure our families, friends, and neighbors have the same communications

connections that people living in urban America have. We also care about our natural environment and historic preservation. However, lacking reform, current implementation of our environmental protection and historical preservation laws threatens to delay and add great cost to the goal of getting broadband to every American household.

Thank you again for this opportunity to testify on this important issue. I look forward to answering any questions you might have for me.