

Skyrocketing Pole Attachment Costs Are Blocking Universal Broadband

New York has reached 97% broadband availability — but unjustified utility fees are threatening to strand the communities that need connectivity most.

By Craig Miller | President, New York State Telecommunications Association

High-speed internet is no longer a luxury. It is essential infrastructure for education, work, healthcare, and economic survival — as fundamental as roads or electricity. New York has made remarkable strides, reaching over 97% broadband availability according to recent Public Service Commission reports. Yet the final gaps are proving the hardest and costliest to close.

Rural areas, where low population density inherently drives up deployment costs, remain underserved. So do pockets of urban and suburban communities that fall through the cracks. The consequences are real: students struggle without reliable connections, remote workers lose opportunities, small businesses stagnate, and family farms fall behind in an increasingly digital agricultural economy.

Key Numbers at a Glance

21,000+ miles of fiber installed through New NY Broadband Program

256,000+ homes, businesses & institutions connected

171% — maximum single-year spike in pole attachment fees

A hidden tax on rural connectivity

As president of the New York State Telecommunications Association — representing more than 40 carriers and 100 suppliers, from national providers to small rural operators — I see these challenges daily. Our members have driven much of the state's progress. The New NY Broadband Program installed over 21,000 miles of fiber and connected more than 256,000 homes, businesses, and institutions. ConnectALL has built on this success as a national model for public-private partnerships. Providers remain eager to invest.

But one obstacle looms above all others: the pole attachment and make-ready process. Most utility poles are owned by electric companies, and access to those poles has become a costly, unpredictable burden that is quietly strangling broadband deployment.

Providers face mid-project fee hikes that turn viable rural projects into losses — and federal funding cannot fix a problem that regenerates itself with every new invoice.

Attachment fees have spiked dramatically — sometimes more than 171% in a single year — often without PSC oversight or clear cost justification. Providers are hit with surprise invoices for "post-incremental" field surveys. Retroactive make-ready charges dating back to 2014 arrive without warning. Recent PSC complaints highlight unauthorized "Construction Support Charges" approaching \$10,000 per application, even when no additional work occurs. These are not administrative inconveniences — they are project killers.

Enforcement, not just reporting

The PSC's 2024 rule revisions, which require annual reporting on attachments, timelines, and charges beginning in 2025, are a meaningful step forward. But reporting without enforcement is a scoreboard without consequences. The core question demands an answer: are these fees genuinely cost-based, or are costs being shifted onto electric ratepayers while providers absorb arbitrary surcharges? The state should launch a thorough investigation.

Permitting delays at the Department of Transportation have also long slowed projects, though recent improvements in response to industry input are welcome. Municipal partnerships help in some areas, but some localities lack resources, and municipally owned networks often face financial and operational hurdles. The priority must be efficient private deployment and flexible public-private models that allow providers to move quickly.

A zero-cost solution for unserved communities

Compounding the pole problem are real property taxes on new broadband infrastructure. Grants rarely cover ongoing maintenance costs or tax obligations, which discourages investment in precisely the hard-to-serve areas where need is greatest. NYSTA strongly supports A.6548/S.7845, sponsored by Assemblymember Woerner and Senator Fahy.

This bill would create Broadband Opportunity Areas and provide a 10-year property tax exemption for new last-mile infrastructure in FCC-defined unserved and underserved communities. It costs the state and localities nothing — these areas currently generate no such tax revenue anyway — and it sunsets after a decade. It is a rare policy that is genuinely cost-free to government while removing a real barrier to private investment.

With federal BEAD funding now flowing, New York stands at a pivotal moment. We cannot allow exorbitant pole fees, opaque utility processes, and tax burdens to undermine this opportunity. The PSC must address unjustified charges and enforce reasonable, transparent pricing. Lawmakers should pass the broadband tax exemption bill without delay.

NYSTA and its members stand ready to collaborate with regulators, utilities, and policymakers to finish the job. New York's digital future — and the families still waiting for reliable service — depend on acting now.

A.6548 / S.7845

The Broadband Opportunity Areas bill, sponsored by Assemblymember Woerner and Senator Fahy, would provide a 10-year property tax exemption for last-mile broadband infrastructure in FCC-defined unserved and underserved communities — at no cost to state or local governments.