

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

SEVENTEENTH CONGRESS

First Regular Session

House Bill No. 633



INTRODUCED BY REPRESENTATIVE XAVIER JESUS D. ROMUALDO


EXPLANATORY NOTE

Cable television ("TV") and telecommunications companies mainly employ cables and related transmission equipment to deliver their services to their customers. These companies thus make attachments to utility poles and make use of related support structures and rights of way to transmit cable television or telecommunications signals, as the case may be.

Because the establishment and maintenance of utility poles and related support structures and the acquisition of rights of way require significant financial investments, only a few can afford to do so. Hence, cable TV and telecommunications companies make use of pole attachments and pay fees to pole owners for such attachments. This arrangement, however, has allegedly led to pole owners charging excessive amounts for cable TV and telecommunications pole attachments. The huge cost of making and maintaining pole attachments are then passed on to consumers.

Congress must thus step in and regulate the use of utility poles, related support structures, and rights of way and the rates, terms, and conditions for making pole attachments in order to promote the growth and expansion of the Philippine cable TV and telecommunications industries and to enable the public to enjoy a more affordable and a wider array of cable TV and telecommunication services. Indeed, our Constitution provides for the state policy recognizing the vital role of communication and information in nation-building.

In view of all the foregoing, the kind and favorable support of the Members of Congress for the prompt and timely passage of this measure is earnestly sought.


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AN ACT
REGULATING THE USE OF UTILITY POLES, RELATED SUPPORT STRUCTURES,
AND RIGHTS OF WAY FOR THE TRANSMISSION OF CABLE TELEVISION OR
TELECOMMUNICATION SIGNALS, INCLUDING THE RATES AND TERMS FOR
POLE ATTACHMENTS, AND FOR OTHER PURPOSES

Be it enacted by the Senate and the House of Representatives of the Philippines in Congress assembled:

1 SECTION 1. Short Title – This Act shall be known as the Pole Attachments Act.

2

3 SEC. 2. Declaration of Policy – It is hereby declared the policy of the State to regulate
4 the use of utility poles, related support structures, and rights of way for the transmission of cable
5 television or telecommunications signals, as well as the rates, terms, and conditions for Pole
6 Attachments in order to promote the growth of the cable television and telecommunications
7 industries in the country and for the purpose of providing the public with wider access to and
8 reasonable rates for cable television and telecommunications services.

9 The State shall guarantee that cable television operators and telecommunications companies may
10 secure and use their own or have and maintain access to utility poles, related support structures,
11 and rights of way used or useful, in whole or in part, in the transmission of television or
12 telecommunications signals under a just and reasonable framework.

13

14 SEC. 3. Construction of this Act. – When there is any doubt or ambiguity in the
15 interpretation or implementation of the provisions of this Act, the same shall be liberally
16 construed in order to carry out this Act's purposes and intent. Likewise, reference may be made

1 to recognized standards of safety, industry practice, and generally accepted engineering
2 principles.

3

4 SEC. 4. Definition of Terms. – As used in this Act, the following terms are hereby defined,
5 as follows:

6 a. Pole Owner – refers to any natural or juridical person that owns or controls utility poles,
7 related support structures, or rights of way used or useful, in whole or in part, in the
8 transmission of cable television or telecommunications signals.

9

10 b. Pole Attachment – refers to an attachment made by an Attaching Company to a utility
11 pole, including its related support structure/s or right of way, used or useful, in whole or
12 in part, in the transmission of cable television or telecommunications signals.

13

14 c. Attaching Company – refers to any natural or juridical person that makes or maintains a
15 Pole Attachment for the purpose of transmitting cable television or telecommunications
16 signals.

17

18 d. Pole Attachment Fee – refers to the total amount to be paid by an Attaching Company to
19 a Pole Owner at the end of every quarter of every calendar year on a per-utility pole
20 basis.

21

22 e. Additional Maintenance Expense – refers to the necessary quarterly expense directly and
23 exclusively pertaining to the preservation of the integrity and proper functioning of a Pole
24 Attachment.

25

26 f. Pole Premium – refers to the remuneration payable to a Pole Owner for allowing a Pole
27 Attachment on its utility pole.

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29

1 SEC. 5. Formula for Computing the Pole Attachment Fee. – The Pole Attachment Fee shall
2 be equal to the sum of the Additional Maintenance Expense and the Pole Premium, wherein:

3
4 a. Unless proven otherwise by the Pole Owner or the Attaching Company, the Additional
5 Maintenance Expense shall be presumed to be P25.00; Provided, that such presumed
6 amount shall be adjusted by the National Telecommunications Commission (NTC) five
7 (5) years after the effectivity of this Act and every five (5) years thereafter, after due
8 public hearing. Nevertheless, any increase shall not be more than 20% of the present
9 presumed amount.

10
11 The Pole Owner or the Attaching Company may dispute the presumed amount of Additional
12 Maintenance Expense and prove the actual amount of Additional Maintenance Expense
13 incurred before the NTC by presenting substantial evidence on the necessary quarterly costs
14 directly and exclusively pertaining to the preservation of the integrity and proper functioning
15 of the Pole Attachment. Prior to a determination by the NTC of the actual amount of
16 Additional Maintenance Expense, the presumed amount of Additional Maintenance Expense
17 shall be used as basis for any and all payments to be made, subject to an order for refund or
18 additional payment, as may later be determined by the NTC.

19
20 b. The Pole Premium shall be equivalent to 12% of the Additional Maintenance Expense.

21
22 c. The number of utility poles for which Pole Attachment Fees shall be payable shall be
23 equal to the number of utility poles applied for attachment by the Attaching Company
24 less the number of attachments validly denied by the Pole Owner; Provided, that the
25 number of utility poles for which Pole Attachment Fees are payable may be disputed by
26 the Pole Owner or the Attaching Company before the NTC by presenting substantial
27 evidence on the actual number of utility poles utilized for Pole Attachments. Prior to a
28 determination by the NTC of the actual number of utility poles for which Pole
29 Attachment Fees shall be payable, the present number of utility poles for which Pole
30 Attachment Fees shall be payable shall be used as basis for any and all payments to be

