

# FREQUENTLY ASKED QUESTIONS

## GENERAL:

**Q: What is an EMC?**

A: Electric Membership Cooperatives (EMCs) are not-for-profit utilities that provide electricity and other related services that are owned by their member-consumers. They are structured as cooperatives to offset the high costs of providing electric service in rural Georgia across large land areas with population densities much lower than urban and suburban communities. Each EMC is governed by a locally-elected board of directors from the co-op's membership.

**Q: How many EMC members are there in Georgia and how many people are employed by the co-ops?**

A: More than 4 million Georgians are served by EMCs and EMCs across the state employ more than 5,900 Georgians.

**Q: How large is the distribution network of Georgia's EMCs?**

A: Georgia's EMCs cover 73 percent of the state's land area in 157 of 159 counties, with 197,927 miles of electric power lines. It is, by far, the largest distribution network in the state.

**Q: What is Georgia EMC?**

A: Georgia Electric Membership Corp. is a trade association that serves all of the state's 41 Electric Membership Cooperatives (EMCs) as well as Oglethorpe Power Corp., Georgia Transmission Corp. and Georgia System Operations Corp. Collectively, we are able to pool resources to effectively address issues of importance to co-ops and their member-owners.

**Q: How is Georgia EMC funded and governed?**

A: Georgia EMC is a not-for-profit 501 (C)(6) owned and funded by its members and controlled by a board of directors elected from those member cooperatives and corporations.

## BROADBAND IN GEORGIA – THE POLE ATTACHMENT ISSUE:

**Q: What is the Georgia Broadband Opportunity Act?**

A: It is a law signed by Gov. Kemp in August 2020 empowering the Georgia Public Service Commission (PSC) to set the rates, terms and conditions for cable companies to attach to poles purchased, installed and maintained by the EMCs in order to promote the deployment of broadband.

**Q: What is Georgia EMC's position on the PSC as arbiter of cable pole attachment rates?**

A: Georgia's EMCs are grateful that the PSC is examining all the information relative to cable pole attachment rates and will rule based on the facts. We are confident that Georgia's five statewide elected PSC Commissioners will come to a fair and just conclusion that protects EMC member-owners while expanding access to broadband.

**Q: Are pole attachment rates a barrier to the expansion of rural broadband?**

A: No. Studies by [NRECA](#) have concluded that pole attachment fees represent, at best, a small fraction of the cost of broadband deployment. The federally mandated, consumer subsidized "FCC rate" has applied to Georgia Power territory for decades. Despite this, large portions of Georgia Power's territory remain unserved by high-speed internet. If pole attachment rental rates really were a barrier to broadband, cable would have already expanded into these rural areas where they have a lower rate.

**Q: What are the roles of the EMCs in helping bring broadband to rural Georgia?**

A: First and foremost, EMCs have a core mission of supplying safe, reliable and affordable electricity to their members, but are also focused on helping solve the rural broadband issue. Four EMCs have set up affiliate companies and are offering broadband services, 20 others are in partnerships with broadband providers, or exploring a new partnership.

**Q: Why is there no broadband in much of rural Georgia already?**

A: The primary factors for the lack of broadband in rural Georgia are the low population density, the poor “take rate” among prospective customers, and the large up-front capital expenditure required. Many communication service providers avoid rural areas because homes are miles apart and providing service to these areas does not meet their high profit business model.

**Q: What are pole attachment fees and what is the issue being considered by the Georgia Public Service Commission?**

A: Utility poles are the property of EMCs, which are owned by their member-consumers. The EMC members pay to acquire, install and maintain those poles for the delivery of electric service. Cable companies pay an attachment fee for the privilege of attaching their lines to these poles in order to sell their services into adjacent homes and businesses. This nominal fee provides cable companies an affordable and convenient way to deploy their services into the marketplace. It is a lot cheaper for these cable companies to pay a fee to attach to the EMCs’ poles than it is to build and maintain their own poles and rights of way. As a result of the Georgia Broadband Opportunity Act, the PSC will determine a fair rental rate cable companies must pay to use the EMCs’ poles.

**Q: If pole attachment fees are lowered across the state, does that mean cable companies will run their lines to rural areas?**

A: That has certainly not been the case here or in other states where pole attachment fees are lower. Cable companies are using the promise of broadband in unserved rural areas to get fees they pay for attachment to ALL EMC member-owned poles reduced to a consumer-subsidized rate (most notably the thousands in densely populated areas where cable companies are highly profitable). Cable companies claim they will use the savings from lower pole fees to pay for expansion of broadband in unserved areas, but there is no law requiring them to follow through or any other way to hold them accountable.

**Q: How would lowering pole attachment rental rates impact EMCs and their member-owners?**

A: EMCs are not-for-profit cooperatives. If the rates for pole attachments are lowered, the dollars not recouped from cable companies would result in a shortfall that must be made up somewhere. Unfortunately, the only “somewhere” is the pockets of the member-owners. Furthermore, there is no legal obligation for the cable companies to use that windfall to build out broadband in rural areas.

**EMCS IN THE COMMUNITY:**

**Q: How do EMCs impact the communities they serve?**

A: With locally elected leaders representing the interests of each co-op and its members, EMCs have been committed to driving economic growth and supporting business, education, civic and cultural initiatives in their respective local communities since their founding more than 80 years ago.

**Q: What are examples of community support provided by Georgia's EMCs?**

A: EMCs provide college and technical school scholarships for local students, provide youth leadership opportunities such as the Washington Youth Tour, and funding for school systems’ needs that range from classroom supplies and sports equipment to large-scale building projects. Co-ops spearhead fundraisers for entities such as food banks, military veterans, youth programs and other charitable needs, to name just a few.

**ECONOMIC DEVELOPMENT:**

**Q: How does Georgia EMC support economic development in Georgia?**

A: EMCs provide much more than just power. They have a long history of active participation in many local and state partnerships working to attract new business and industry to Georgia and support a broad range of existing corporate enterprises. Georgia EMC works in partnership with the Georgia Department of Economic Development (GDECD), other statewide public and private sector partners, and local chambers of commerce and development authorities to market the state of Georgia to new business and industry, with a specific focus on rural communities. We are proud to be an integral part of the team that has helped Georgia to be named the “Top State for Doing Business” for a record 7th year in a row. Our dedicated team of professionals also lead strategic planning and marketing initiatives to help local communities best position themselves for long-term success.

**Q: What are some specific economic development challenges Georgia EMCs work to solve?**

A: EMCs throughout the state are engaged on a grassroots level in supporting initiatives aimed at creating and protecting the prosperity of Georgians. We identify and cultivate economic development opportunities, working hand-in-hand with local chambers of commerce and development authorities to help plan and prepare for attracting and retaining business enterprises. We develop site plans, assist business prospects in selecting the best locations for their facilities and help companies navigate the regulatory process among many proactive efforts. Equally important, EMCs make sure that we have an abundant supply of reliable and affordable electric energy needed to supply this critical resource to business, industry and communities across Georgia.

**Q: Has COVID-19 slowed progress in the economic development efforts?**

A: No. Georgia continues to thrive despite the pandemic in large part because of Georgia's pro-business climate and low cost of doing business. Since January, Georgia EMC has been a part of the team that has worked hand-in-hand with the Georgia Department of Economic Development and other statewide partners on multiple project locations which have invested approximately \$665 million and created more than 4,200 new jobs in the state.