

# VCUDA

*The Vermont Communications Union Districts Association serves to unite the interests of Vermont's municipal internet networks, devising ways to share resources and voicing CUD consensus on critical policy issues.*

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# Vermont Communications Union Districts

Developed under the direction of hundreds of community volunteers.



**NORTHWEST  
FIBERWORX**



**MAPLE  
BROADBAND**

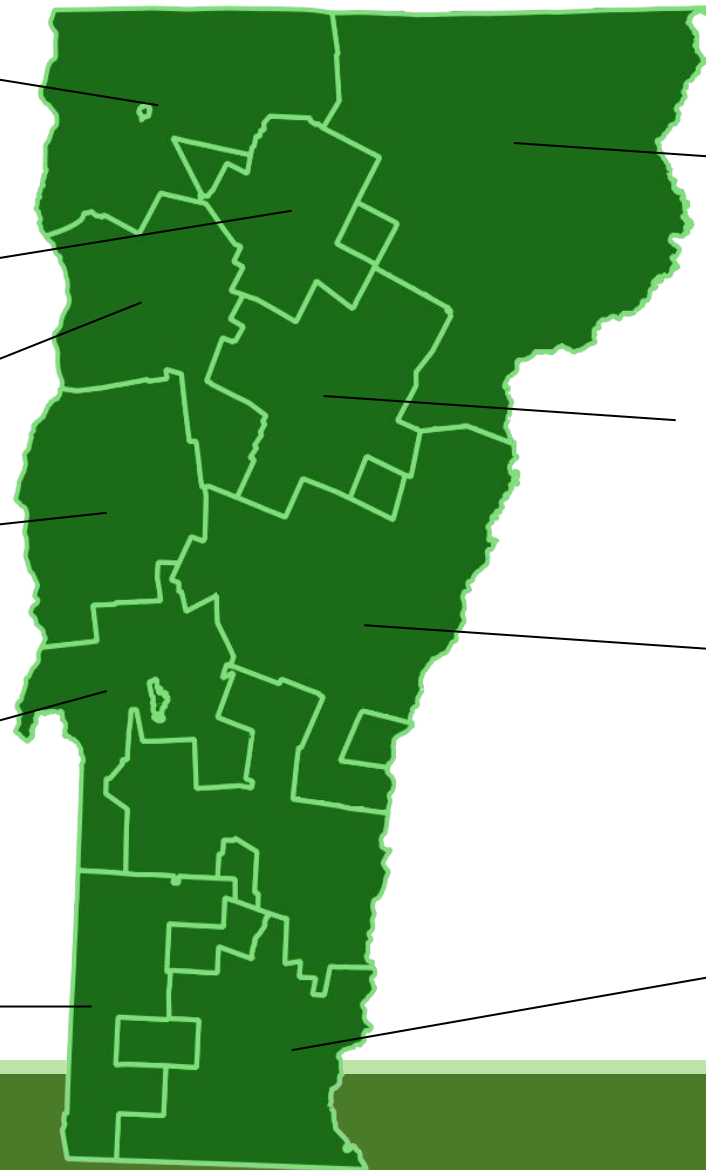


**OtterCreek**  
communications  
union district



**Southern Vermont  
Communications  
Union District**

Chittenden  
County CUD



# About the Communications Union Districts

- Each CUD is organized as a result of a ***Town Meeting vote to create a CUD.***
- Each ***town*** appoints ***representatives*** to ***participate directly in the CUD governance*** and transparent administration.
- ***A CUD is a*** multi-town ***municipality.*** (with revenue bond authority, but not taxing authority)
- ***Committed to universal service*** - will reach to every on-grid address starting with the currently unserved and underserved.
- ***Accountable and Transparent*** - Town representation in governance assures grassroots involvement, transparency and accountability.
- ***Public Ownership*** - All assets funded by the CUD are owned by the CUD municipality.
- ***Private Partnership*** - CUD typically use a traditional RFP to select a commercial partner to operate the CUD infrastructure.

*Some variation on public/private partnerships, but core principles are consistent.*

Communications union districts (CUDs) were created ... to coordinate and implement creative and innovative solutions in their respective territories, particularly where existing providers are not providing adequate service that meets the needs of their residents and businesses ...

Vermont Act 71 2021  
Findings and Intent (13)

***CUDs are Mission-Driven.***

# CUDs are rapidly expanding to unserved areas

## *2023 launched expanding service areas across several CUDs*



“Broadband internet service from DVFiber was a key factor for me starting my own business and prevented us from moving elsewhere. We didn't want to leave Vermont, but needed work and finally came to the decision that it was our only option to survive. Our line of work necessitated high quality, high-speed internet for remote work opportunities.”

**Peder Rude, DVFiber Customer, Readsboro Resident, Business Consultant**



“Vermont as a state offers so much of what we are seeking in the way of community connectedness, beautiful landscape, schools, recreational opportunities and a general set of values that we relate to. What is deeply missing at this time in our state's history is rural and reliable high-speed internet.

The work of CVFiber and other communication districts is historic and deeply important.”

**Megan and Matt McLane, CVFiber Customers, Worcester Residents, Occupational Therapist and Educator**

# 2023 Success Examples



**Maple Broadband connected its first customers in January 2023 in Cornwall and Salisbury, and it now has active service across 112 miles.** Service is active in portions of 7 towns and a total of 1,332 addresses passed. Maple Broadband is on target to finish its Phase 1 build in early 2024. Collectively, Maple Broadband and Waitsfield and Champlain Valley Telecom (WCVT) brought fiber service to 3,813 addresses passed in 2023. In 2024 Maple Broadband plans to bring service to portions of Vergennes, Ferrisburgh, Waltham, Monkton, and New Haven, and additional portions of Orwell.



**NEK has achieved 2,352 homes passed, 203 miles served, and 179 customers served across 8 towns.** In 2023, to bring high-speed, reliable internet to unserved and underserved communities, NEK Broadband put in place the additional staff, funding, and infrastructure needed to continue delivering on its promise. NEK Broadband secured a \$17.5 million grant from the USDA primarily for Essex County which will start construction in 2024.

# 2024 Activities and Growth



## Continuation of existing deployment programs

- Expansion across CVFiber, DVFiber, ECFiber, Maple Broadband, NEK Broadband
- Construction beginning in Otter Creek CUD and Lamoille Fibernet
- Northwest Fiberworx expected to contract for construction activities

## Transition to federal "Broadband Equity Access and Deployment" Program

- Replaces the simpler ARPA-funded state program
- **Complicated competitive program with match requirements**

## Cross-CUD collaboration, Efficiencies, and Maturation

- VCUDA supporting financial, grant and policy coordination
- Small groups of CUDs collaborating on shared interests

# The Road Ahead



## Successful Participation in BEAD Program

- Requires competitive bids, match requirements, and letter of credit or equivalent
- Bridge funding and private debt

## Financial and Operational Robustness

- Evolving from grant-funded startups to mature entities issuing municipal bonds
- Ever-changing competitive environment
- Sustainability plans
- Efficiencies in CUD Governance bill (S.199; H.755)

## Affordability

- Balancing needs of universal service, financial controls, and social responsibility
- Profitability of rural areas a challenge
- Affordability is a state-wide problem; role of CUDs is to ensure availability to all Vermonters

# Community Broadband is about Vermonters.

Led by experts and hundreds of community volunteers, Vermont and its Communications Union Districts are on the move, delivering world class broadband where it has never been available before.

