

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.

Ellie de Villiers, President & Chair
Chair@vcuda.org

Vermont Communications Union Districts

Governed and guided by hundreds of community volunteers.



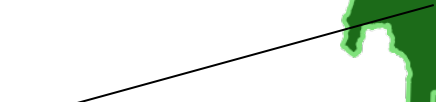
**NORTHWEST
FIBERWORX**



Chittenden
County CUD



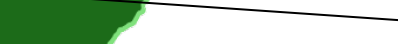
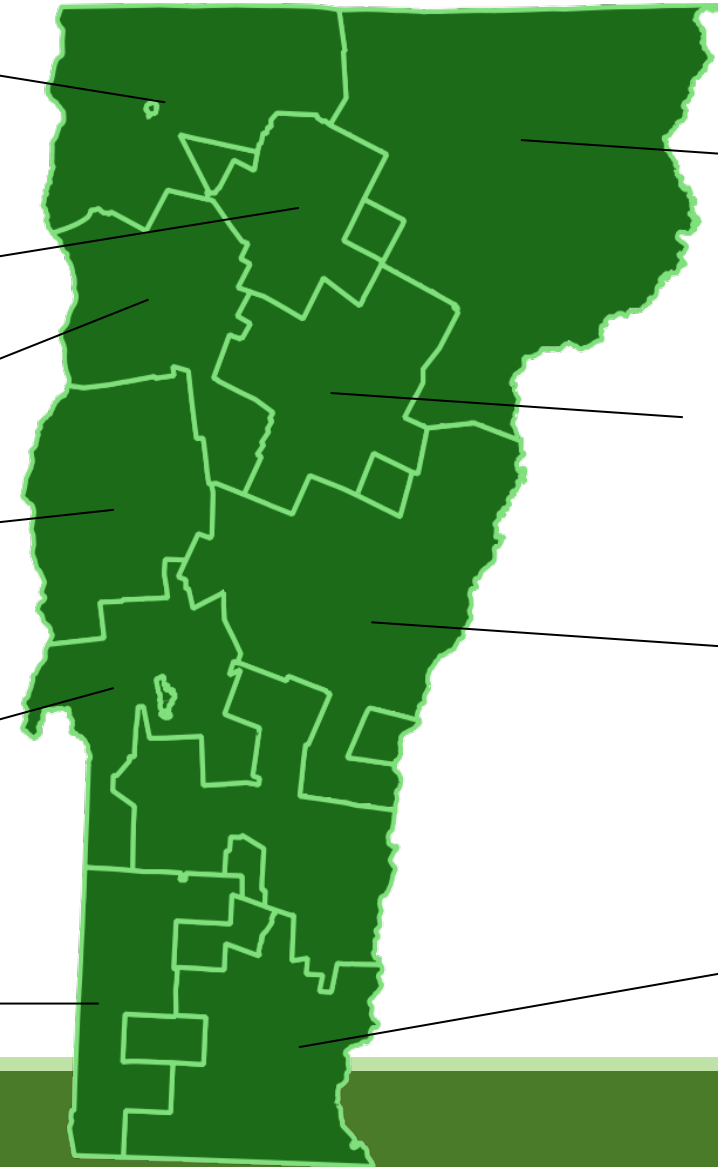
**MAPLE
BROADBAND**



OtterCreek
communications
union district



**Southern Vermont
Communications
Union District**



Broadband is critical to Vermont residents

2023 was a landmark year for rural broadband, and much remains to be done



“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

Broadband Affordability is a Challenge for Many



VCBB's Digital Equity Plan identified affordability as a primary concern for Vermonters

- 49.9% of survey respondents indicated that broadband costs are too high
- 28% of respondents without internet connection stated the reason was cost
- Once-off installation costs include long “drops” and buried service
- Vermont's draft Digital Equity Plan calls for broadband affordability targets to be 1% of income = \$12.15/month for a one-person household at 100% of the poverty line

Affordable Connectivity Program (ACP)

- 25,000 Vermonters are likely to lose access to the ACP in May
- ~150,000 Vermonters are eligible for the ACP = \$54M/year if all were enrolled
- Affordability is a state-wide problem; role of CUDs is to ensure availability to all Vermonters

Rural Broadband is Expensive



Legislative Finding (Acts 169, 71)

(6) Many Vermonters do not have the ability to choose easily between Internet service providers (ISPs). This lack of a thriving competitive market, particularly in isolated locations, disadvantages the ability of consumers and businesses to protect their interests sufficiently.

This is why CUDs exist:

- Rural areas have more miles, fewer residents, and lower average incomes
- CUD networks are almost exclusively in rural areas
- Most CUDs have partnered with other internet service providers (ISPs) as part of their universal service plans

Rural Impact, 1

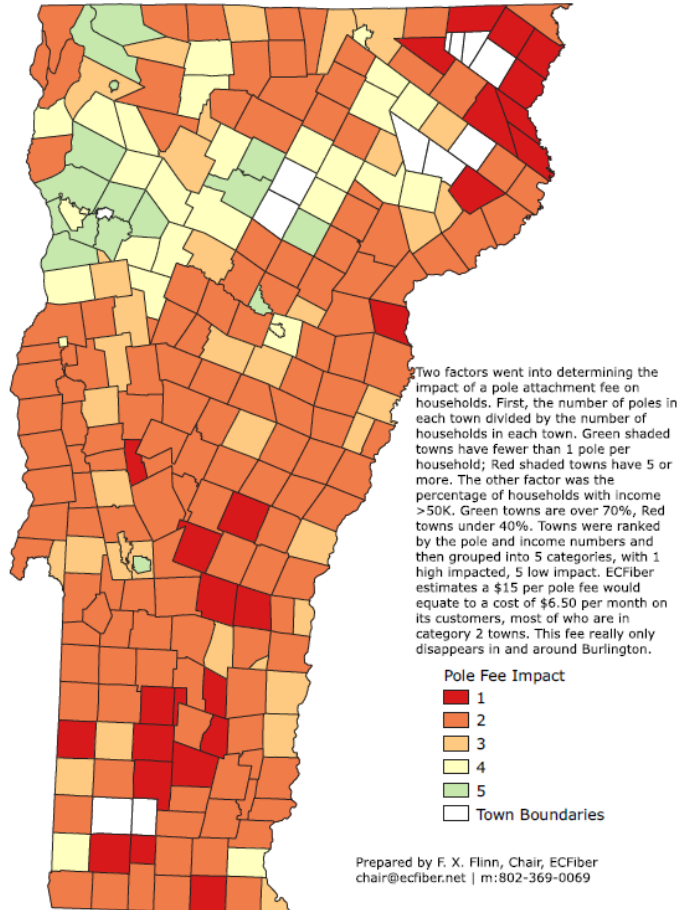
ROW Cost/Household/Provider

| | Addison | Chittenden | Essex | Orleans |
|----------------------------|---------------|---------------|---------------|---------------|
| State Highway Miles | 189 | 174 | 121 | 223 |
| Population | 37,578 | 169,301 | 5,994 | 27,666 |
| ROW fee rate/foot | \$.07 | \$.13 | \$.02 | \$.07 |
| Potential ROW fee | \$69,854 | \$119,434 | \$12,777 | \$82,421 |
| Households | 17,634 | 74,917 | 4,966 | 16,769 |
| Cost/Household | \$3.96 | \$1.59 | \$2.57 | \$4.91 |

These fees apply to all providers in a competitive marketplace

Rural Impact, 2

Impact of pole attachment fee on Vermont households



Impact of Pole Attachment Fee Cost/Customer

- ECFiber - \$6.50/month
- Maple Broadband - \$11/month

Maple Broadband Example

- ~6,000 poles = \$90,000/year
- 2024 budget for pole rental = \$59,000
- Increase in pole rental costs of 150%
- 14% increase in operating costs

In Conclusion



- CUDs are solving the challenge of rural *availability*
- Broadband *affordability* is a state-wide challenge
- Fees that disproportionately impact rural areas will have a great impact on rural Vermonters