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House Commerce & Economic Development Committee
Testimony on H.459 The REDI Bill
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The Rural Economic Development and Infrastructure bill (REDI), if enacted, would substantially help the ReNewbury Broadband Comm. (RBC) in reaching its goal of near-universal, affordable broadband access throughout our town.

We believe the “Newbury Model,” though still in an early planning phase, holds promise to bring reliable, fiber-optic-based, high-speed Internet access directly into the vast majority of residences and businesses in Newbury, in a way that is both quickly deployable and affordable for subscribers. In turn, the high-speed infrastructure would encourage economic and community development, permit inexpensive landline telephone service, enable local cell coverage for our residences and farms, and facilitate broader mobile phone coverage in Newbury, where coverage is spotty at best. Furthermore, the model should be replicable in most rural areas throughout Vermont, and perhaps beyond.

The RBC is an eight-member committee of Newbury residents that came out of ReNewbury, a town-wide, two-day “visioning” and planning session held two years ago. For much of the time since then, the RBC has been working closely with consultants Paul Haskell and CJ Stumpf of Vermont Futures, Inc.

The salient features of the proposed Newbury Model:

- A private-public partnership with Fairpoint Communications (FP) envisioning municipal district ownership of much of the infrastructure, including fiber-optic cabling and residential fiber connections, and FP engagement with much of the engineering, construction, and maintenance, plus other operational and administrative tasks.
- A contractual arrangement with FP for overlashing district-owned, fiber-optic cable on FP’s existing copper lines.
- Financing, independent of the municipal grand list/tax base, through use of municipal--and therefore tax-advantaged--long-term instruments, such as non-recourse revenue bonds, municipally accessible governmental subsidies, and grants.
- Most important, community volunteers to inform and recruit subscribers on a person-to-person basis and through neighborhood gatherings—“pizza parties”-- to achieve a higher density of subscribers and allow more efficient construction

scheduling than would otherwise be feasible, thereby substantially lowering costs.

All this is designed to allow rate, speed, and cost improvements, while providing support for use of the infrastructure once deployed.

Currently, the Newbury Model relies on Act 41 (2015- An Act Related to Telecommunications), to establish a municipal utility district requiring entire towns. The REDI bill, if enacted, would help the RBC overcome the awkwardness of Act 41's requirements, which call for special town meetings in establishing and revising the boundaries of municipal utility districts, viz.:

-- Many residents from Newbury's neighboring towns have already expressed interest in participating. The REDI bill permits extending a district to parts of other towns simply by petition of 20 or more voters and the accord of the selectboard of that town.

-- Fairpoint serves most of the town of Newbury, but Topsham Telephone covers about 5%. Topsham Tel isn't a participating partner at this time. Asking voters who live in Newbury's Topsham Tel territory to vote on establishing a district in its FP territory seems incongruous.

The ReNewbury Broadband Committee would appreciate the committee's favorable consideration of H. 459.