



Community Owned, Locally Operated

Our Mission: Bring state-of-the-art, “future-proof” connectivity to all homes, businesses, and civic institutions in our member towns.

Agenda



1. Who/What is ECFiber?
2. Why state-of-the-art internet on back roads?
3. Recent History of ECFiber
4. Communications Union Districts
5. State support thus far
6. The Rural Broadband Challenge

What is ECFiber?



- 24 member towns (23 Towns plus Montpelier) in East Central Vermont
 - Formed in 2008 through an “Interlocal Contract”
 - In 2015, Act 41 added Ch 82 to Title 30, defining the Communications Union District structure, authorized us to form one
 - During 2015, all 24 towns joined the newly created East Central Vermont Telecommunications District, DBA ECFiber (Jan 1 2016: all assets transferred to the District, including the name.)
- The network is owned by member towns,
but under Vermont law it cannot be supported by local taxes.
- The network is operated by ValleyNet
 - Ultimately, operating surpluses will be paid to member towns

[View map, at
www.ecfiber.net/where-we-are-working/]

Why does rural VT need “unlimited-speed broadband?”

- Healthy, sustainable local economy
- Enhanced learning opportunities for students of all ages
- Vermonters start businesses at home for low overhead
- Career paths for 21st-century young adults:
 - True tele-commuting
 - “Virtual Corporations”: real-time collaboration with colleagues in other time zones/countries
- Regional/International Competitiveness
- Expanded options for health care, reducing travel
- Enhanced property values - \$5,000+

So how has it been paid for?



- Seed money (~\$900,000) for pilot project: network hub, 20+ mile loop
- Local funds for local builds and connections: local citizens lent money to the project (15-year promissory notes, multiples of \$2500)
- By end of 2015, had raised almost \$7M from 475 distinct individuals
- Subscriber/system revenues support debt service, operating costs, and continuing capital investment.
- April 2016: the District issued its first series of revenue bonds, \$9 M @ 5.1%

ECFiber's Service Offerings



- Choice of 10/10, 25/25, 100/100, 500/500 Mbps connection to the Internet, each fully symmetrical (equal upload and download speeds)
- Can readily add 1 Gbps
- No other carrier can approach this!
- (What does “up to 15 Mbps” mean?)
- Telephone package includes unlimited long distance throughout North America
- No contracts required
- Customer service by helpful, knowledgeable, local people

How we've grown



at end of:	2012	2013	2014	2015	2016
Customers	298	552	947	1201	1589
Miles (incl OCFC)	41	133	190	235	326

2016 Construction: 100+ miles in Tunbridge, Royalton, Randolph, Brookfield, Braintree, Stockbridge, Pittsfield, Pomfret, Sharon, Rochester, Hancock, Reading

ECFiber this year



This week:

- ~345 route-miles of active (“lit”) cable in parts of 17 member towns
- 1596 customers connected

This quarter:

- Ready to use 37 more miles of dark fiber trunk, as soon as pass DPS testing
- The pole make-ready work paid for last fall, on 250 new miles

In the 2017 construction season:

- Build out 6 towns (Barnard, Thetford, Strafford, Pomfret, Pittsfield, W. Windsor)

Late March: Issue next series of revenue bonds to:

- Refinance remaining short-term high-coast loans

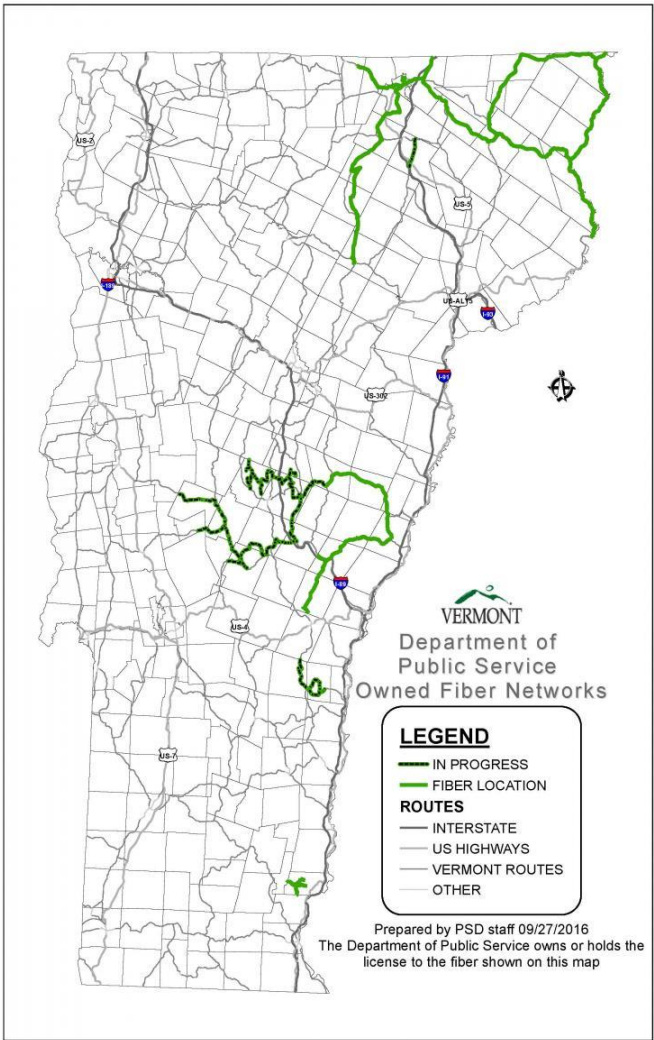
- Build those 250 miles

- Pay for engineering & makeready for 350 miles to be built in 2018

How the State has Helped



- VTA Dark-fiber infrastructure (initiated by VTA, now managed by DPS)
 - VTA Business Broadband Improvement Districts
 - VTA Location-specific grants
 - DPS Connectivity Initiative
- Incompletely served census blocks (2015)
Specific locations (2016)
- Communications Union District Legislation



Impact of VTA Trunk Projects



- ECFiber leases strands, connects them to our existing network
- ECFiber raised \$200,000 of the trunks' construction cost (~ \$2M total)
- ECF will be responsible for the costs of connecting subscribers along the route
- Connection costs incurred as trunks are completed

Direct Grants to ECFiber



- ~ \$200,000 from VTA (for specific locations)
- \$365,500 2015 Connectivity Initiative
- \$165,500 2016 Connectivity Initiative Round 1

Communications Union Districts



- Similar to solid waste or water districts - “A body politic and corporate”
- BUT no taxing authority,
cannot be supported by members' property taxes either
- Initial formation by two or more towns in town-wide vote
(Additional towns can apply to join by vote of their Selectboards)
- Can issue revenue bonds, pledging a portion of future revenues

Utility Pole Access

