

# memo

To: Vermont Legislative Joint Fiscal Office  
From: Danna MacKenzie, on behalf of CCG Consulting, Inc.  
Date: June 18, 2020  
Re: Assessment of COVID-19 pandemic implications for the development of the Ten-Year Statewide Telecommunications Plan, PEG support, and RDOF consideration.

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The JFO has asked CCG to provide input to the General Assembly's decision-making process regarding the intersection of the response to the current pandemic and more long-term broadband planning factors such as the Ten-Year Statewide Telecommunications Plan, PEG sustainability planning, and the implications of federal support from the FCC Rural Digital Opportunities Fund.

## **PEG/Public Access**

After discussions with legislators and staff, it was determined that the larger question of PEG sustainability planning is outside the scope of the current agreement with CCG. The element of the PEG discussion that directly relates to the immediate concerns about planning for CARES Act expenditures is the financial support for their role in the current pandemic response. This was addressed in the document delivered to the General Assembly on June 12, 2020, where CCG offered the assessment that CARES Act funding could justifiably be used to support the activities of the PEG organizations that directly relate to their participation in the response to the current public health emergency.

CCG also provided feedback to the JFO that supported the need for a more in-depth look at the factors involved in planning for the future of PEG and public access in Vermont. It is CCG's opinion that this will be a challenging undertaking that will likely involve some difficult decisions by all those involved in the process.

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## **Ten-Year Statewide Telecommunications Plan**

Given that the last review of the State's Ten-Year Telecommunications Plan was done in 2018, before any knowledge of COVID-19, the draft document produced at that time does not contemplate the impacts of or response to the current pandemic. Assuming that the current draft plan functions as a guide to the Legislature when making funding decisions, CCG included in the June 12, 2020 report to the General Assembly an item that states that a COVID-19 review of the plan could be considered an allowable use of CARES funding. This process could be directed to review the last draft of the plan to identify the gaps in guidance needed for use under the current emergency circumstances and to contemplate potential plan elements to address these gaps that could be added to the next full review of the plan.

Part of the discussion informing CCG's work also included broader questions about how to think about the Ten-Year Plan process going forward. In our interviews, we encountered a range of perspectives about the role and utility of the plan as it stands today. We would suggest you consider the following questions to help frame and clarify the purpose and desired outcomes of the planning process.

### **Questions to Frame Future Telecommunications Planning Process:**

1. **Who uses the plan and what do they use it for?** Put another way, what functions should the planning process and the document itself serve? Make sure any new plan is designed to clearly serve those functions.
2. **What time period is actually useful for a state-wide plan?** While 10 years sounds wise from a long-term investment perspective, that type of planning horizon can be difficult to anticipate rapid changes in short-term needs. Even if the plan takes a look at the long-view in addition to shorter-term changes, the title itself signals to some audiences that it is not relevant to their daily operations.
3. **Who should be involved in the process?** There is more value in the process to get to a plan than there is in the actual plan itself. What process should be used and who should be at the table when the plan is developed?

Answering these questions should provide a clear path to creating a plan that more clearly serves Vermonter's needs.

### **Rural Digital Opportunities Fund (RDOF)**

While commenting on the FCC's RDOF funding program was specifically mentioned in the scope of work for CCG, we believe the conversation has changed following the May 28th guidance that sidelined any large broadband infrastructure investment using CARES funding.

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The RDOF auction is set to take place in October of this year. The short-form applications for entities that want to bid in the auction are due on July 15<sup>th</sup>. The short-form filing requires the ISP that is going to own and operate the network to provide engineered cost estimates for serving specific Census blocks. This leaves no realistic time for the General Assembly to materially participate in the process. Outside of potential actions that could be taken to provide financial support for CUDs or other entities preparing to bid for this funding, there are few implications from RDOF on current CARES funding planning. At a minimum, the General Assembly will want to monitor the RDOF process because, regardless of the outcomes, it will have a material impact on future funding decisions that may come under the state's direction.

Thank you for the invitation and opportunity to provide you with input on the decisions before you.

Sincerely,

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