

Memorandum

Vermont Public Service Department

To: Senate Finance and House Energy and Technology
From: Robert Fish
Subject: Rural Broadband Technical Assistance
Date: May 12, 2020

Background:

In 2019, Act 79 created a new position, the Rural Broadband Technical Assistance Specialist, to directly assist communities with [broadband expansion](#) by providing outreach, technical assistance, and other support services to [communications union districts](#) and other units of government, nonprofit organizations, cooperatives, and for-profit businesses to expand broadband service to unserved and underserved locations.

Key Tasks

- Convening and connecting groups
- Strategizing and advising of funding and partnership opportunities
- Identifying needs and leveraging resources
- Sharing information, ideas, maps, contacts, etc. so groups don't "recreate the wheel each time."

Examples

- Presenting to Regional Planning Commissions, towns, and community groups
- Meeting with potential providers
- Making additional data publicly available or soliciting map requests.
- Recommending grants, applying for grants on behalf of multiple Communications Union Districts, or soliciting donations.
- Facilitating communication between different community groups working around town meeting.
- Answering questions and being a resource
- Encouraging groups to network with groups that share their concerns, such as health care, education, etc.

Communications Union Districts – Timeline

- 2011 EC Fiber
- 2018 CV Fiber
- 2020 NEK Broadband, Deerfield Valley Communications Union District, & Southern Vermont Communications Union District
- Upcoming: Lamoille County, Rutland County, and Addison County

Communication Union Districts - Concerns and Challenges

Below is feedback the Public Service Department solicited from the various Communication Union Districts relating to both the contents of the Emergency Broadband Action Plan and other concerns. This is not an exhaustive list.

1) Creating a Communication Union District during COVID19 & Other Governance Concerns

Emergency Changes to How CUDs can be created. Under [30 V.S.A. § 3051](#), the initial CUD must be established through a Town Meeting Day vote. There is momentum in several counties, there currently no way to hold such a town meeting. Open Meeting/Records. CUDs are operating in a competitive environment and do not believe they should have to hand over their feasibility or engineering studies to a potential competitor. They would like clarity and potentially protections regarding what is public versus what is proprietary so they can effectively operate in a competitive environment.

2) Capacity Building: Funding for Incidentals, Expertise, and Infrastructure

For new CUDs with zero funding available, it would be very beneficial for the CUDs to receive capacity-building grants to cover such expenses as attorney fees, insurance, administrative support, grant writing, and administration, leveraging federal programs, GIS mapping, and seed funding to assist with meeting match requirements for grants and loans, such as the VEDA broadband expansion loans.

3) FCC Rural Development Opportunity Fund (RDOF) – Letter of Credit & Outside Technical Assistance.

CUDs are not currently in a position to bid on the RDOF funds. They lack the letter of credit or the tracking record to successfully participate. CUDs would like a letter of credit from the State and outside technical assistance in developing a consortium of all the CUDs and/or a consortium of all the CUDs and a provider and operator. While the PSD is playing a convening role, the CUDs require immediate strategic consulting assistance to help create such a consortium and to ensure their interests are represented in any consortium.

4) 25/3 Mbps vs 100/100 Mbps

CUDs are concerned that cable extension would further erode the potential for last-mile capability in remote areas. They suggest that any extensions or entities that receive state funding be required to have a plan for achieving the 100/100 Mbps goal to ensure that others are not left behind.

5) Backhaul and Middle Mile

CUDs are excited about the potential to partner with utilities and request that the PSD continues to facilitate these conversations and seek clarity on pricing and availability. The CUDs are also interested in having access to additional data, such as other backhaul options and pole surveys.

Additional Concerns and Comments

Tax-Derived Funds - CUDs are in general agreement that now is not the time to adjust prohibitions on the use of tax derived funds to fund broadband expansion. A CUD did mention that they feel that a town should be able to contract with a CUD to build infrastructure just as a town can contract with a company to do the same.

The complexity of a Reverse Auction – While CUDs are not opposed to the auction, they feel block grants used by or distributed by the CUDs may be more effective at quickly building out fiber in their communities.