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January 22, 2020

The Honorable Ann Cummings, Chair
Senate Committee on Finance

The Honorable Laura Sibilia, Chair
Joint Information Technology Oversight Committee

The Honorable Timothy Briglin, Chair
House Committee on Energy and Technology

Re: Report on 2020 Telecommunications Plan and Estimated Costs

Dear Committee Chairs:

I am writing to provide an update on the progress of the Department of Public Service in preparing the 2020 iteration of the State Telecommunications Plan (the “2020 Plan”). Significantly, the proposed FY2021 Budget released by the Scott Administration this week includes a one-time appropriation of \$300,000 to the Department to retain outside consultant services to assist with preparing the 2020 Plan.¹

Following the enactment of Act 79 last July, the Department reviewed the new substantive planning requirements and reflected on the feedback received from the Legislature and the public on the agency’s telecommunications planning work. This led the Department to consider seeking outside expertise and services in producing the 2020 Plan. Accordingly, in early October 2019, the Department issued a Request for Information (“RFI”) to obtain cost estimates for an outside consultant.²

¹ <https://finance.vermont.gov/sites/finance/files/FY2021%20Executive%20Budget%20Book.pdf>. The appropriation is identified on p. 1323 as “PSD – Independent Telecom Plan”.

² Due to budgetary constraints, the Department had no spare funds to commit to such a consulting contract. Therefore, the agency did not issue a request for proposal at that time.



In November of 2019, two companies responded to the RFI: Magellan Advisors, LLC and Ernst & Young Infrastructure Advisors, LLC. Both respondents are well-qualified to provide beneficial additional expertise and services to assist the Department developing the 2020 Plan in keeping with Act 79. Ernst & Young estimated that the plan would cost between \$370,000 and \$875,000, while Magellan gave an estimate of between \$292,500 and \$452,300.

In light of the proposed \$300,000 appropriation, the Department will move forward with issuing a request for proposal for outside consultants by the end of this month, with the aim of bringing the outside consultants on board by the end of March. Meanwhile, the Department will continue its on-going work using its existing resources to prepare the 2020 Plan, and will do so in a manner designed to seamlessly integrate the assistance of the outside consultants in due course. With this approach, the Department is confident of delivering a 2020 Plan that will meet both the spirit and the specifications in Act 79 on a timely basis.

If you have any questions about this letter, please contact me or Director Purvis, who can be reached at (802) 371-9655.

Kind regards,

A handwritten signature in blue ink, appearing to read "June E. Tierney".

June E. Tierney
Commissioner