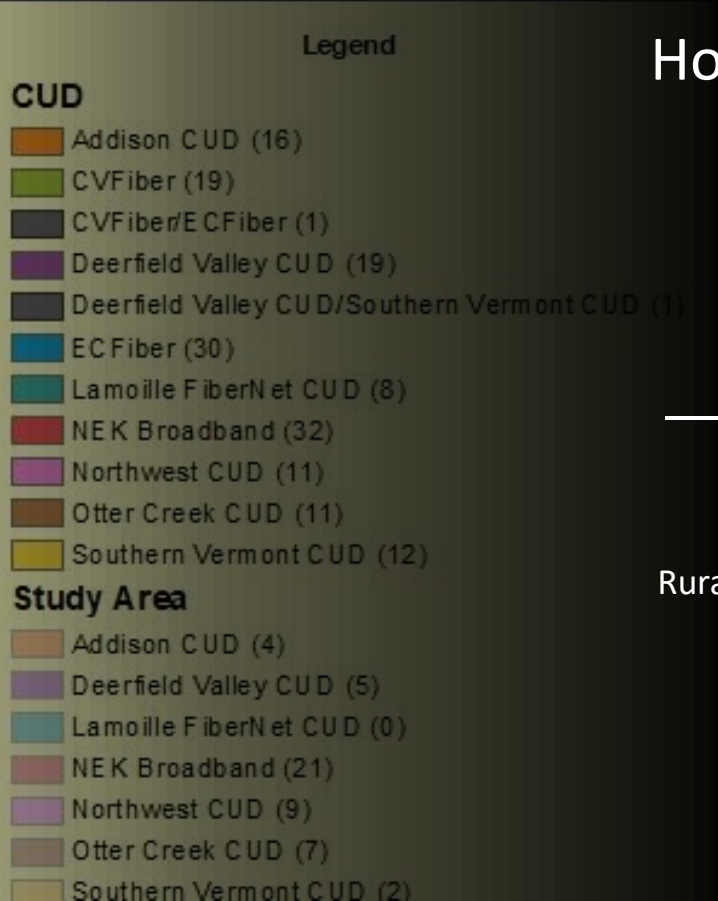
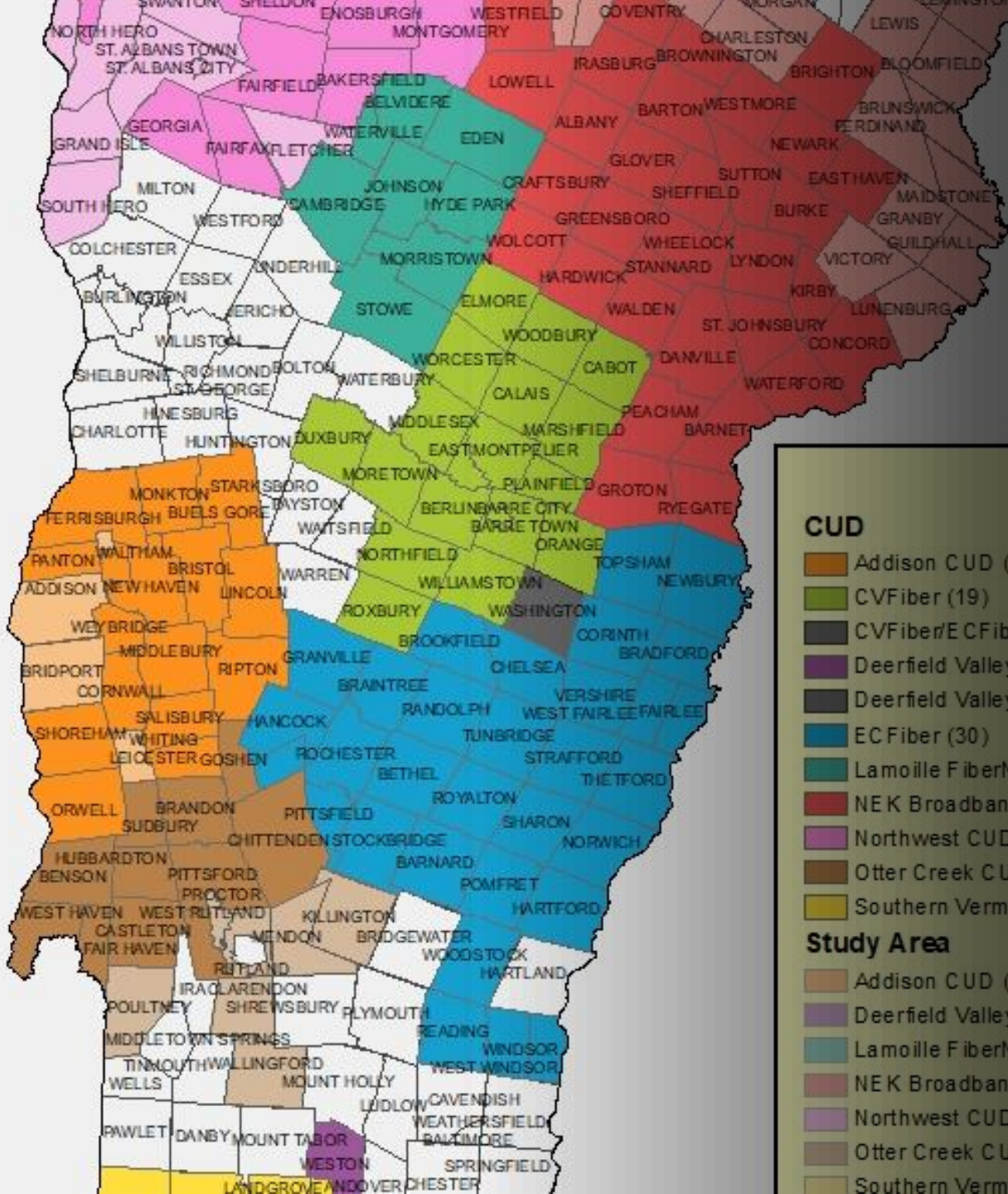


Communications Union Districts

House Energy and Technology
January 14, 2021



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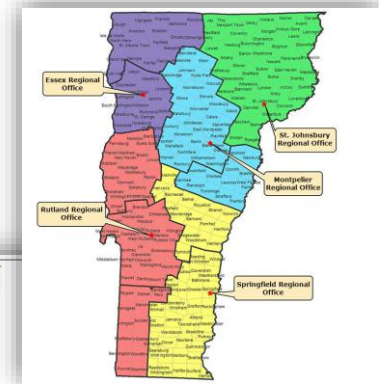
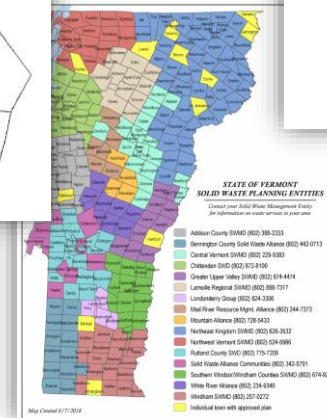
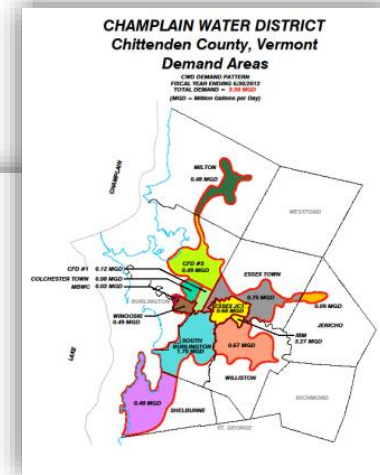
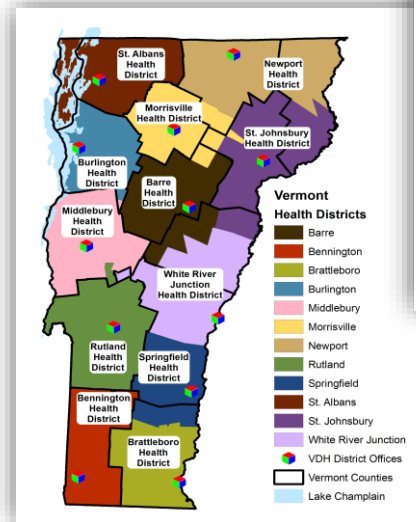
Communications Union Districts

Two or more towns and cities may elect to form a communications union district for the delivery of communications services and the operation of a communications plant.

- Organized under [Title 30: Public Service, Chapter 82: Communications Union Districts \(2015\)](#)

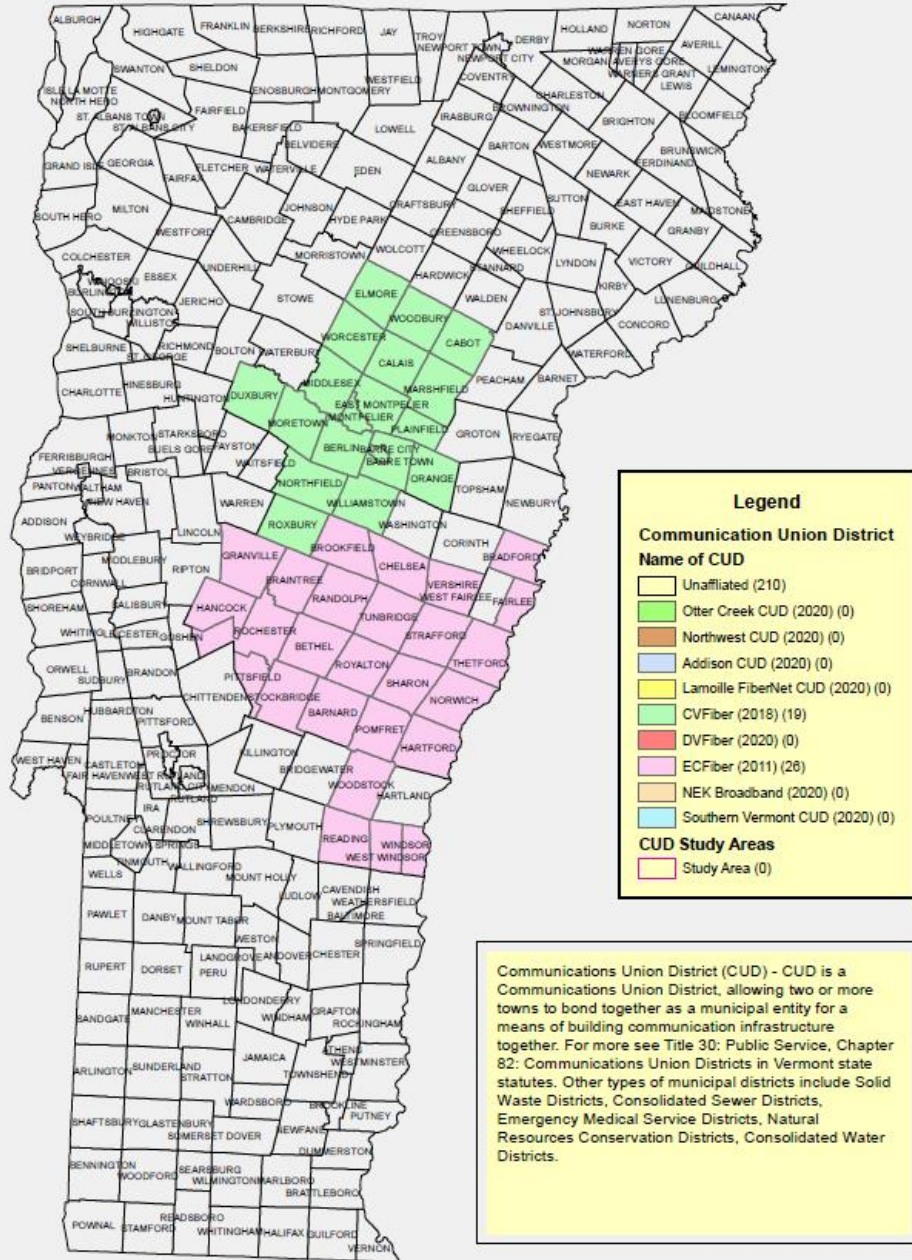
Other types of Municipal Districts:

- Solid Waste Districts*
- Consolidated Sewer Districts*
- Emergency Medical Service Districts*
- Natural Resources Conservation Districts*
- Consolidated Water Districts*



Communications Union Districts:

- **Aggregate Demand** – Mixing dense and less dense towns makes the project more attractive to providers/ AND MORE NEGOTIATING POWER.
- **Entire region can benefit** – If carriers pick off one town at a time leads → digital divide.
- **Funders are familiar with Municipal Districts**
- **Efficiency** - Network design, construction, and operation can all be more efficient when planned from the onset.
- **Town boundaries are irrelevant** – Roads, topography, and settlement patterns are more important.
- **Risk Mitigation** – Individual towns are not on the hook
- **Additional Funding Opportunities** – Easier access to federal state grants and loans that require providing services to those least served.
- **Don't reinvent the wheel** – Share resources, lessons



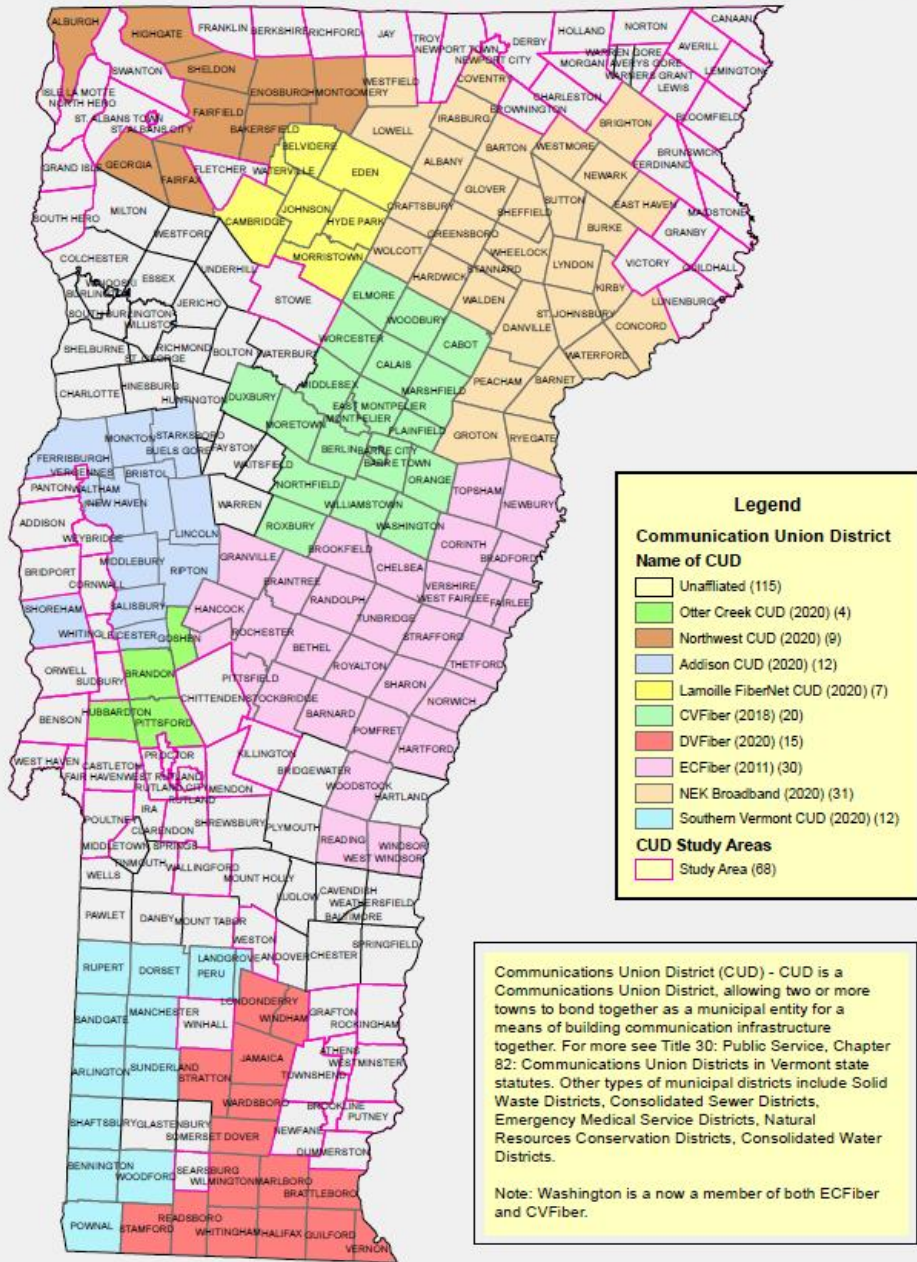
Growth of CUDs

EC Fiber

- 2008 - East Central Vermont Fiber (ECFiber) formed
- 2011 - secured \$1M in insider startup financing in 2011 and built a 20-mile pilot project.
- 2015 – Raised a total of \$7 million in \$2,500 increments on a neighborhood by neighborhood basis from 500 investors.
- 2016 – Became the East Central VT Telecommunications District. Vermont’s first Communications Union District
- 2016 – ECFiber accesses the Revenue Bond Market

CV Fiber

- 2018 – CV Fiber formed at town meeting



Growth of CUDs

Summer 2020

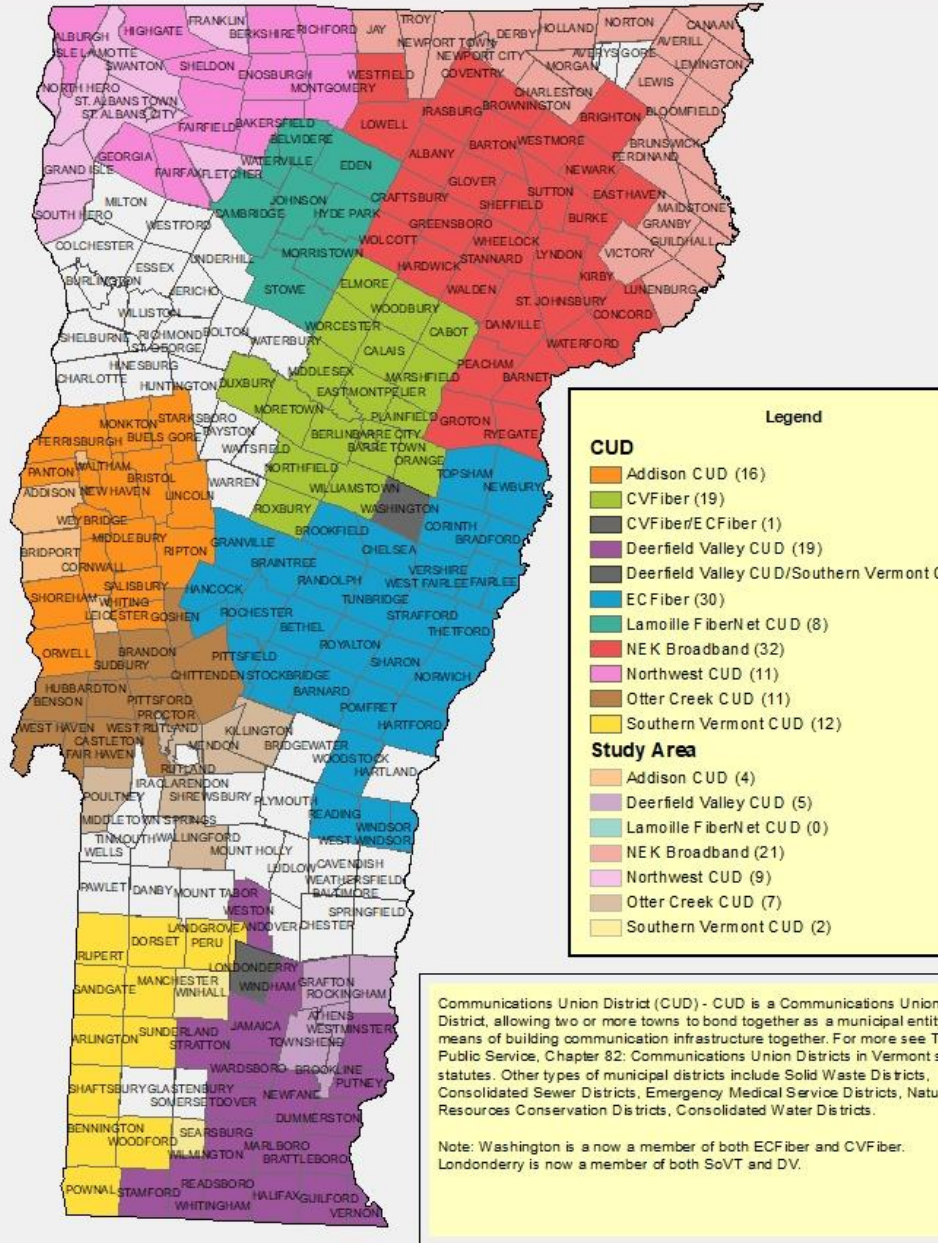
- Lamoille County CUD
- Otter Creek CUD
- Addison County CUD
- Northwest CUD

Growth of CUDs

Winter 2021

- 9 Districts
- 160 Member Towns
- 58 Towns in Study Areas
- 160 Volunteer Board Reps

CURRENT CHALLENGE: Adapting the ECFiber Model to current realities and doing it in 1/10 the time



Rural Broadband Technical Assistance Specialist

- Dedicated staff assisting communities with broadband visioning
- Connections to other resources
- Education and outreach
- Fundraising assistance

Broadband mapping

- Helping stakeholders make informed decisions using availability data

Department of Public Service Resources



Broadband Innovation Grant

- Funded feasibility and business planning studies related to deployment of broadband
- \$700,000 total funding (up to \$60,000 per grantee)

Department of Public Service Resources

CARES Act: COVID-Response Connected Community Resilience Program

- \$2.3 Million for Planning and Infrastructure
- CARES Act deadline challenges

CARES Act: Wi-Fi Hot Spots

- 190 hot spots installed
- CUDs assisted with identifying locations

CUD Infrastructure Program

- \$1.5 Million available to the CUDs to assist in covering the “cash contribution” required for financing.
- \$750,000 will be added to the program from Northern Borders RFEP Award.

Department of Public Service Resources

Vermont Community Foundation

- CUD Broadband Accelerator
- Support of VCUDA
- General Operating
- Training and technical assistance
Rural library digital enhancement mini-grants program

Broadband Project Developer

- \$250,000 from Northern Borders Regional Commission Rural Forest Economy Partnership Program

Need for a Hybrid Model

- RDOF results created a patchwork of census blocks in many districts
- Districts may now have multiple ISPs
- Districts may own some but not all the infrastructure

Building Capacity

- Project management
- Technical Assistance (finance)
- Pre-Construction Costs

Challenges

Access to capital, materials, labor

- VEDA program
- Distribution of new stimulus funds
- Pre-buying fiber?

Incentivizing collaboration

- Between CUDs
- Between CUDs and Utilities
- Public Private Partnerships

Public entity/competitive landscape

- Protecting business-sensitive information/Leveling playing field
- Capacity to comply