

Broadband Expansion in Colchester Challenges & Possible Solutions March 25, 2022

Background

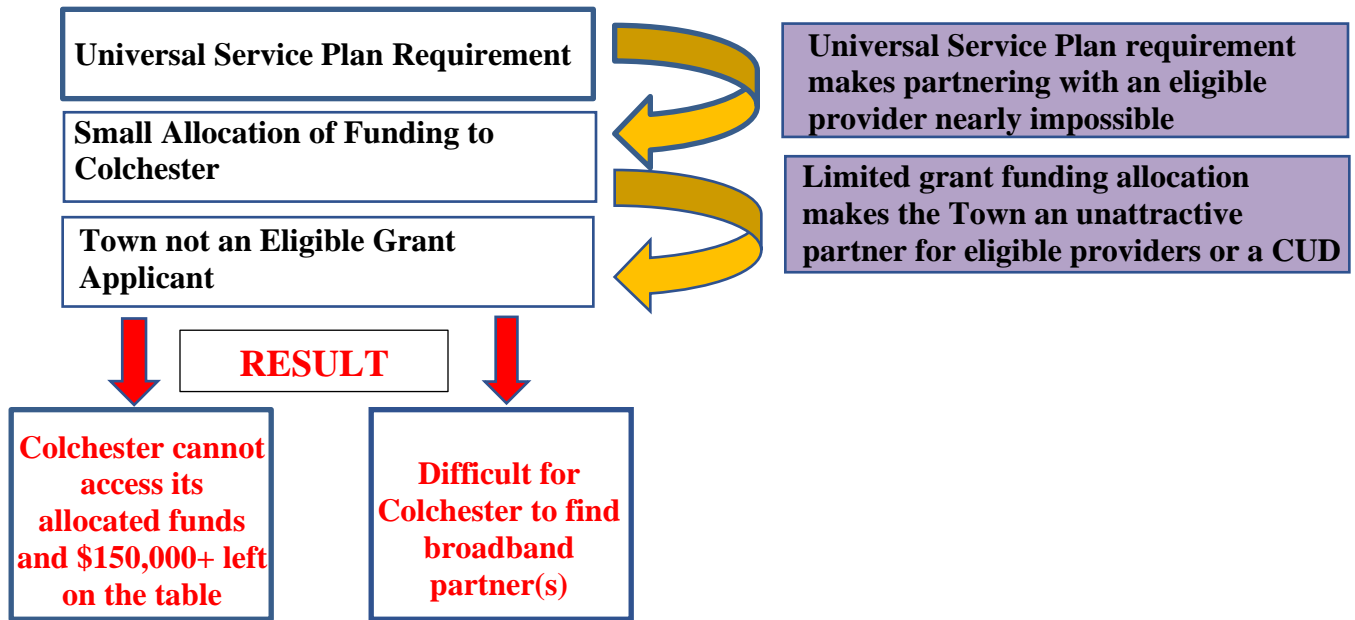
- Consolidated Communications and Comcast have extensive coverage within Colchester and most addresses in the Town are considered “served” with service of at least 25/3 Mbps.
- There are fewer than 200 addresses in Colchester that meet the definition of unserved or underserved, which are dispersed among several unconnected pockets throughout the Town.
- Immediate Need: Those with less than 25/3 Mbps are severely limited in their ability to participate in today’s economic, social, health care, and educational activities. Providing broadband to these unserved/underserved locations as quickly as possible is not likely to be accomplished with a single large Town-wide construction project. Rather, addressing the pockets of need on a one-by-one basis seems to be the most feasible approach to achieve improvements quickly. For example, one neighborhood was recently able to utilize the LECAP program to obtain improved service through Comcast.
- Long-term Goal: Beyond bringing broadband to the unserved/underserved addresses, Colchester wishes to achieve true community-wide broadband where all addresses have access to 100/100 Mbps service.

Challenges

- **Funding Allocation:** The \$100 million + currently available through VCBB construction grants can only be used to improve service for unserved and underserved areas. VCBB developed an allocation formula to distribute grant funds by town funds based on uncabled road mileage. Using this formula, Colchester is currently eligible for \$153,221 in grant funds. ***Because Colchester has a significant amount of infrastructure from Consolidated Communications and Comcast, it is eligible for relatively little in VCBB grant funds. This means Colchester has little to offer in terms of funding to help either an ISP or a CUD develop an attractive business case in/with Colchester.***
- **Universal Service Plan:** In order to access VCBB grant funds, a Universal Service Plan (USP) for the entire town must be developed, which requires a single plan to explain specifically how each unserved/underserved address will be provided access to 100/100 Mbps service. Based on Colchester’s conversations with eligible service providers, the most likely approach to improve service for Colchester’s unserved/underserved addresses in a short timeframe will involve multiple parties, not a single entity pledging to do it all. ***The requirement for a Universal Service Plan in order to access VCBB grant funds is incompatible with what appears to be the most likely and advantageous approach to expand broadband to unserved and underserved areas in Colchester.***

- **Grant Eligibility:** Act 71/VCBB strongly favors communities that have elected to join a Communications Union District (CUD). Individual municipalities cannot apply for VCBB grants to fund broadband projects. The only eligible grant recipients are “eligible service providers,” which are defined as a) a Communications Union District, b) a small communications carrier, or c) an Internet Service Provider working with a Communications Union District to expand broadband to unserved and underserved locations. ***The exclusion of municipalities as an eligible applicant and the preference for CUD participation limits the Town’s ability to directly access resources to expand broadband availability.***

Summary of Challenges



Possible Solutions

- **Funding Allocation:** Re-work the VCBB funding allocation formula to better reflect the realities of Chittenden County communities that may have extensive infrastructure, but still have a very high hurdle in attracting service providers for certain areas.
- **Universal Service Plan:** Modify the Universal Service Plan requirement to allow for individual projects within a community to be funded individually as long as there is an acknowledgment and documentation of the town-wide need.
- **Eligible Applicants:**
 - Allow municipalities that are not CUD members to be VCBB grant applicants. This will allow a municipality to take the lead on behalf of its residents if it determines that is the best way to expedite a project.
 - Allow communities with extensive Consolidated Communications and Comcast build-out to partner directly with those ISPs and provide them access to the Town’s allocated grant funds. This will allow the most efficient use of existing infrastructure, will avoid excessive overbuild, and will help expedite broadband expansion.