

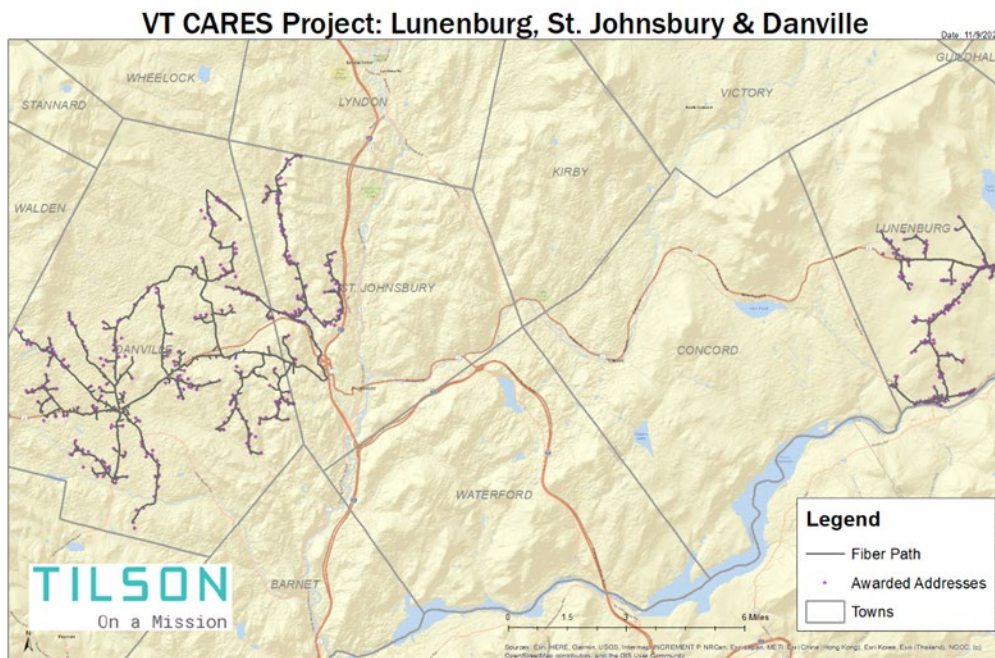
Senate Committee on Finance
TESTIMONY OF TILSON TECHNOLOGY MANAGEMENT
IN SUPPORT OF H. 360
An Act Relating to Accelerated Community Broadband Deployment
And Related Proposals

Presented by Elin Swanson Katz

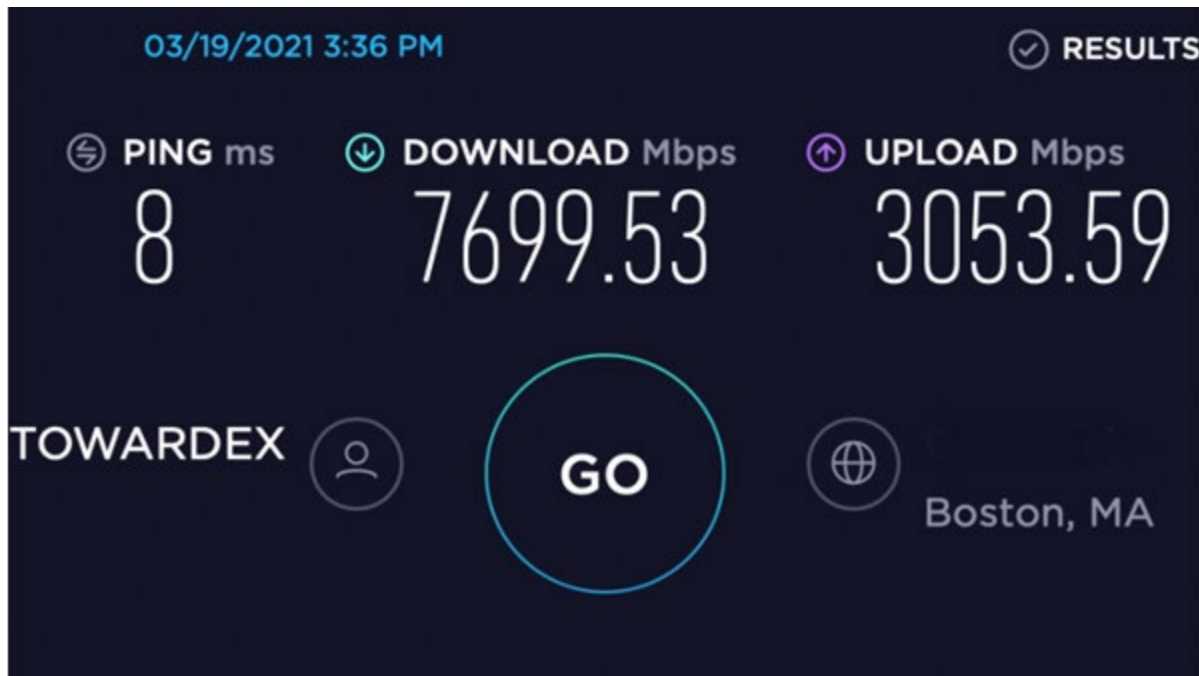
Good afternoon, Chair Cummings, Vice-Chair MacDonald, and distinguished members of the Committee.

My name is Elin Swanson Katz and I am the Vice-President of Utilities at Tilson. Tilson is on a mission to build America's information infrastructure. We are headquartered in Portland, Maine, and design, build, operate, and own telecommunications infrastructure all over the country. Our company has a long relationship with the State of Vermont, and as of December, we are now providing world class fiber broadband in Lunenburg, St. Johnsbury, and Danville through our ISP, Tilson Broadband.

I have included a map of our network, which once complete, will provide speeds of up to 10 Gbps to more than 1100 addresses, including 578 previously unserved or underserved premises.



Included here is a screenshot from a recent speed test of Tilson Broadband. This speed test was conducted in St. Johnsbury to a server in Boston.



Before we connected this customer, the only connection available to them was unable to get download and upload speeds of 25/3 Mbps.

This network was made possible by two grants from the State of Vermont's COVID-19 Emergency Connectivity Initiative and Get Vermonters Connected Now Initiative, funded through the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act"). It exists because of funding provided by the State of Vermont. We're grateful for Commissioner Tierney and her staff, who have been great partners both before and during the build, and to this committee for the leadership and the opportunity it provided. This is an excellent example of how targeted state intervention can help close the digital divide.

Tilson works as a consultant, service provider, or infrastructure owner in nearly every state in the nation, but Vermont is unique in the breadth and depth of its commitment to closing the digital divide. In our work we have built strong and collaborative relationships with several of the State's Communication Union Districts (CUDs): NEK, Lamoille, Southern Vermont, and CV Fiber. We also worked very effectively with VELCO, Green Mountain Power, Vermont Electric Cooperative, Vermont Public Power Supply Association (VPPSA), and other stakeholders on broadband modeling and deployment. All of the entities share a common commitment to ensuring that all Vermonters have the connectivity they need.

The sense of mission and of urgency around deploying broadband to underserved and unserved consumers, including in this committee, has made our work here building the Tilson Broadband network easier – not easy, as serving rural America is a challenging task. But we are optimistic about the opportunities to expand our network and look forward to serving as many customers as possible. Vermont is not, to paraphrase one of Tuesday’s speakers, a “rounding error” to Tilson Broadband.

We appreciate that we are providing an essential service to consumers who have no other broadband options. We have therefore applied and been qualified to offer the Federal Communications Commission’s Emergency Broadband Benefit to our customers, which provides up to \$50 per month for a home broadband connection. This will further our collective mission of providing broadband to as many unserved and underserved Vermonters as possible.

We have two specific comments on the proposed legislation:

- Financing and loan programs are an important component of state and federal programs to facilitate broadband deployment, but low-cost financing is alone is not enough to build networks in the most rural, underserved areas of the state. Grants will be necessary for these projects to proceed. The economics of rural broadband projects are very, very difficult, because there is typically low customer density combined with high construction costs. Any program adopted by the legislature should include grants as well as low-cost financing.
- While H.360 would direct funding to the CUDs, other legislation would permit grants directly to service providers. Our network was built with a direct grant, and we would pursue those opportunities if available. However, as described above, we’ve worked previously with many of the state’s CUDs, and would welcome the opportunity to partner with the CUDs by serving as an ISP, providing technical expertise, or in design build work to ensure that they are successful in closing the digital divide in their communities as well.

Thank you for your time and I am happy to answer any questions.