

Senate Finance Committee
Senator Cummings Chair
Vermont Senate
Montpelier, VT

May 6, 2021

Dear Senator Cummings and Committee Members,

I wish to offer my feedback regarding (Draft No. 1.1 – H.360) Page 19 of 49 5/5/2021 - MCR - 05:22 AM

Specifically, Senator Pearson's proposed language which would effectively require Duncan Cable TV to participate in an additional layer of bureaucracy for the privilege of enjoying a seat at the State's grant funding table. In my humble opinion, this proposed "safeguard" is completely upside down. If the DVCUD partners with Consolidated Communications, I ask that this committee ponder the following scenario.

A scenario where DCTV seeks state funding to construct an unserved area of Wilmington or Dover, in direct competition with the collective might of the DVCUD and CCI. These 2 entities already have:

1. Access to State Universal Fund monies.
2. Access to Federal Universal Fund monies.
3. Access to monies paid by long distance providers.
4. No obligation as proposed to pay any state or local taxes on it's personal property.
5. Access to RDOF funding.
6. Access to the bond market.
7. May well already have strand in place significantly reducing construction costs.
8. No make ready costs.

On top of these economic and logistical challenges, Senator Pearson's amendment would require that my company somehow prove that my competing with DVCUD/CCI will not harm them or their business model?

Is proving a lack of harm even possible in a world where the DVCUD and CCI have entered into financial NDA's?

If the committee fairly ponders the above facts, I believe it is DCTV who deserves the protection:

1. DCTV has already successfully participated in 4 public FTTH public private partnerships proving it's worthiness for funding consideration.

2. The very first area DCTV constructed it's FTTH distribution network was in an area where it had no distribution plant, an area where only dialup service existed, demonstrating it's commitment to building out it's entire area.
3. In 2020 DCTV was awarded 2 grants for unserved areas where it did not already have plant infrastructure constructed. Within 90 days of being awarded grants for these areas, DCTV delivered it's FTTH service on budget and on time.
4. DCTV has already self funded and constructed plant covering approximately 70% of the 2 towns it serves. The funding opportunities inherent in the bill before the Senate are vital if we are to fully build out the remaining un and underserved areas.
5. With a majority of Wilmington and Dover already served by DCTV's network, the last thing this measure should be doing is increasing the efforts for DCTV to successful build out it's served region.

In closing I wish to ask if the committee might have time today or tomorrow for me to further testify or answer any questions the members might have of me or my company. If so, please let me know what time and I will arrange my schedule accordingly to make myself available.

Thank you for this opportunity to contribute my thoughts in this regard.

Sincerely,

Cliff Duncan

DUNGAN CABLE TV