

TO: Senate Finance Committee members
FROM: Vermont Communication Union District Association members

April 11, 2021

Dear Senate Finance Committee members,

We write in response to questions raised during testimony and discussion this week regarding Vermont's Communication Union Districts' ability to carry out the task envisioned for them in H. 360: *to bring high-speed future-proof broadband to every on-grid address in Vermont in a way that is accountable, cost-efficient and affordable.*

We are the organizations best-suited to take on this challenge **exactly because** we are fundamentally different from the private Internet Service Providers and telecommunications companies who have failed over the last two decades to bring broadband to all Vermonters.

We are public bodies, fully accountable to our member municipalities, with reporting and public disclosure requirements set forth in statute. Our mission and entire reason for being is to carry out this task on a regional basis, ensuring that no address gets left behind. Our intention is to work with the private sector parties active in our regions to coordinate their efforts and avoid duplication. This kind of coordination is not something that individual companies are able or willing to do, whether they are large conglomerates or single family operations.

We are committed to developing publicly-owned infrastructure, which can serve multiple purposes including private provision of residential and commercial internet services, but also bandwidth to enhance public safety and health care services. We believe it is essential for accountability that networks paid for with public dollars remain under control of a body politic, such as CUDs. Especially in our most rural areas, we cannot afford to build this essential infrastructure many times over.

We are mostly relatively new organizations, but we are following a proven model and are utilizing the most experienced advisors, vendors and partners in the state and country as we develop our organizations and business plans.

All our organizations have experienced professionals who are volunteering their time as members of their CUDs leadership team, many with specific backgrounds in finance, law, telecommunications and information technology. In addition, we have all contracted with engineers, consultants and firms well-versed in both municipal law and broadband deployment. We have provided a list of these experts below for your information. Finally, H. 360 wisely creates the Vermont Community Broadband Authority that is charged with providing secondary support in these areas.

As we move forward with applying for loans and grants, and ultimately enter the municipal bond markets, our business plans, partnerships, and network designs are and will be vetted as carefully or more carefully than those of any private entity.

It is the definition of insanity to keep following the same strategy -- providing grants or state-backed loans to a patchwork of for-profit companies that precludes regional planning and local ownership and control -- while expecting different results. Governor Scott and the Vermont House of Representatives have both strongly backed the CUDs as the mechanism for moving the state forward. We believe that ultimately the Senate, after completing its own due diligence, will as well.

We look forward to continuing this discussion with you, and answering any questions that arise during your considerations of the legislation before you.

Jeremy Hansen, Chair, Central Vermont Fiber CUD

Ann Manwaring, Chair, Deerfield Valley CUD

F. X. Flinn, Chair, EC Fiber CUD

Michael Rooney, Chair, Lamoille Fibernet CUD

Steve Huffaker, Chair, Maple Broadband CUD

Evan Carlson, Chair, NEK Broadband CUD

Sean Kio, Chair, Northwest CUD

Bill Moore, Chair, Otter Creek CUD

Jeffrey Such, Chair, Southern Vermont CUD

List of expert consultants and advisors under contract to Communication Union Districts:

Organizational Advisors: Regional Planning Commissions; Vermont Community Foundation; Vermont Department of Public Service

Business & Technical Advisors: CCG Consulting (Doug Dawson); Christine Hallquist; CTC Technology (Joanne Hovis); Fibersmith; Interisle Consulting Group, LLC; Matrix Design Group; NRTC (National Rural Telecommunications Cooperative); Rural Innovation Strategies, Inc.; Tilson Technology; ValleyNet

Legal Advisors: Primmer, Piper, Eggleston & Cramer, PC; Christa Shute, Esq; Montroll, Backus & Oettinger, P.C.

Business Plan Review: Municipal Capital Markets; Union Bank of Vermont