



VERMONT

VERMONT COMMUNITY BROADBAND BOARD

**Presentation to the Senate Committee on Education
January 18, 2023**

Christine Hallquist, Executive Director
Rob Fish, Deputy Director

[HTTPS://PUBLICSERVICE.VERMONT.GOV/VCBB](https://publicservice.vermont.gov/vcbb)

Mission

It is the purpose of the VCBB and Vermont Community Broadband Fund to support policies and programs designed to accelerate community efforts that advance the State's goal of achieving universal access to reliable, high-quality, affordable, and fixed broadband.

The VCBB was created to coordinate, facilitate, support, and accelerate the development and implementation of universal community broadband solutions.



2022 Highlights

Main Focus Areas in 2022

Capacity

- Build internal capacity while assisting Communication Union Districts (CUD) with capacity and funding to carry out the goals of ACT 71.

Construction

- Commit funds to enable eligible providers to connect addresses as part of their Universal Service Plans.

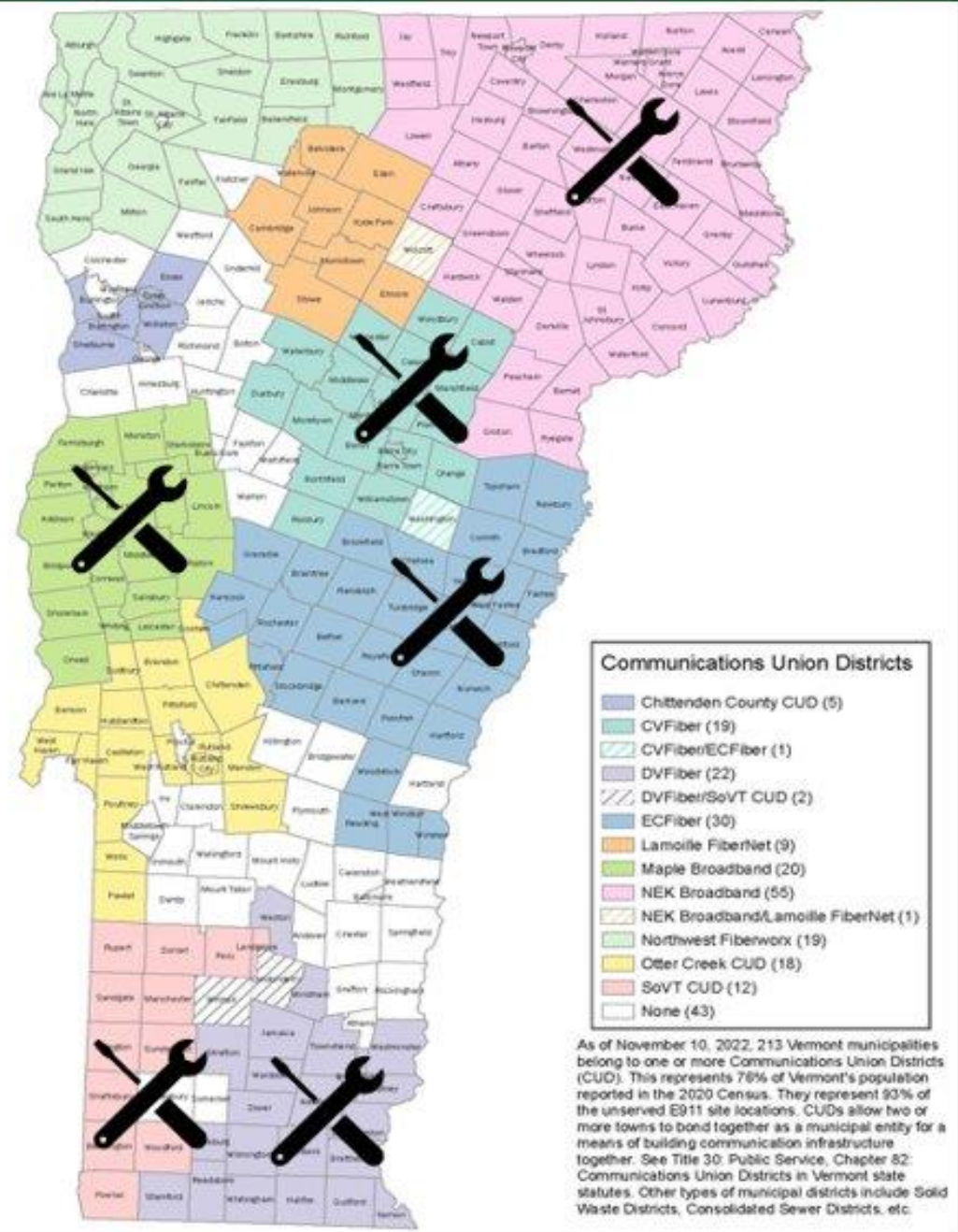
Performance and Accountability

- Develop oversight processes that ensure ongoing financial success of grant recipients, including support and review of the individual CUD business plans.



In 2023 you
need more
than a good
school for
a good
education

ALL STUDENTS NEED THE
SAME ACCESS TO
LEARNING AT HOME =
BROADBAND FOR ALL



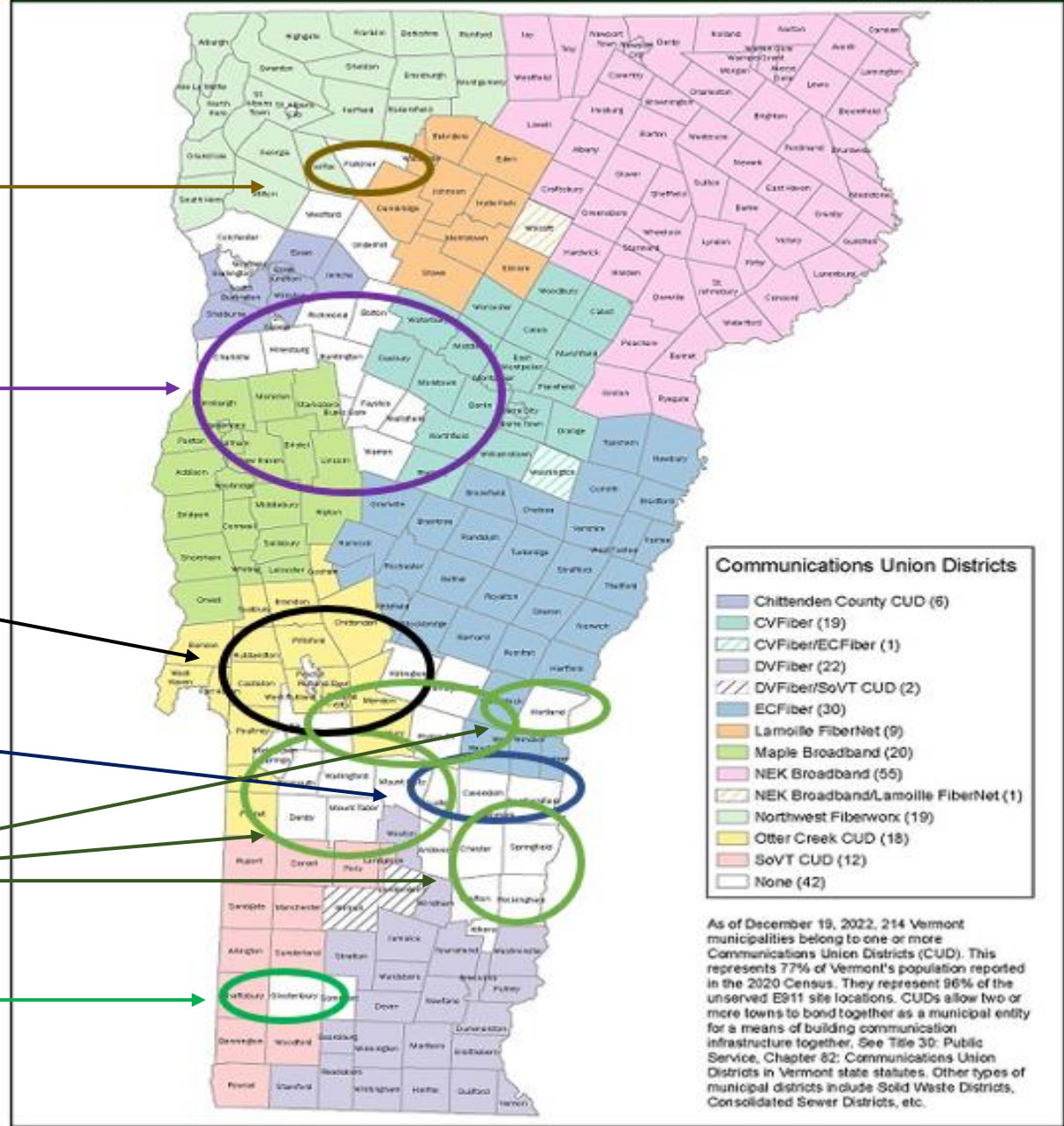
Progress toward meeting Vermont's goal of 100/100 mbps broadband service at every E-911 location:

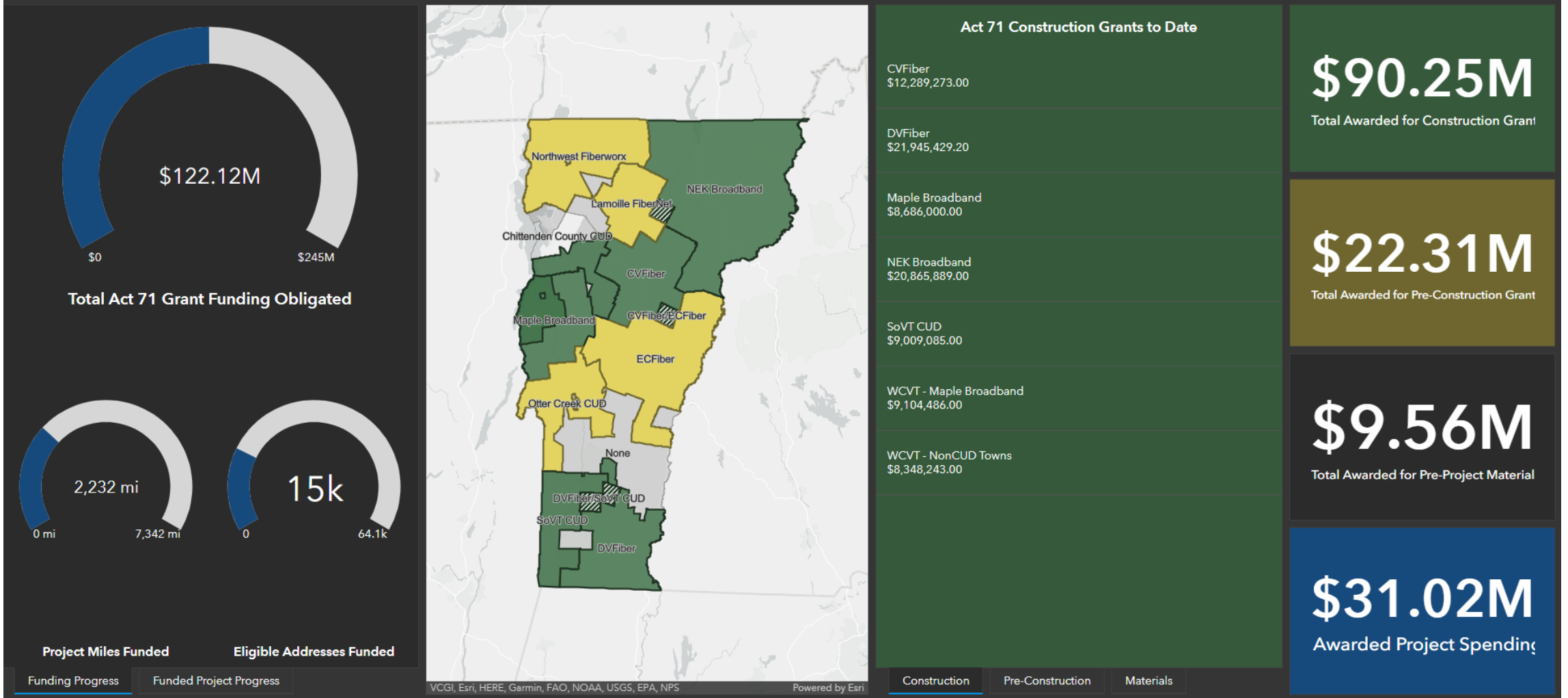
- 10 Districts
- 214 Member Towns
- 428 Volunteer Board Representatives & Alternates
- More than 76% the state's population
- 93% of premises statewide without access to 25/3
- 76% of all serviceable addresses

Towns Without Communication Union District Membership

- ❑ Northern Borders Regional Commission (NBRC) grant to MCFiber for Fletcher
- ❑ Act 71 Construction Grant issued to build to remaining addresses in phased approach in WCVT towns.
- ❑ Towns served with fiber by Consolidated/Fidium or Vtel
- ❑ TDS planning on building fiber to 90%+ addresses. Other areas may be served by EC Fiber in the future.
- ❑ VTel reports serving all addresses within its territory with fiber.
- ❑ SoVT will serve with fiber via partnership with Fidium for Glastonbury.

Communications Union Districts





- \$150 Million in ARPA
- \$95 Million in ARPA Capital
- ~\$100 Million + Infrastructure Bill/BEAD

A LOT OF \$\$ BUT.

- Inflation
- Rising Interest Rates

- Material Shortages
- Workforce Challenges
- BEAD Delays

As of December 2022
<https://vcbb.maps.arcgis.com/apps/dashboards/75eb5dd3e4454c18a31ef25d97b3d3da>

Board Approved: \$1.8M in new PreConstruction; and \$577k in Materials on 1/9/23

Funding Model for Affordable Broadband

Grant funding and donations provide initial funding (~ 60%)

CUDs build and own infrastructure. Operator provides the service

CUDs access the Revenue Bond Market or other financing to complete the build-out

Rural Broadband is expensive, but on avg, statewide, every addl \$50M provided in grants reduces consumer rate by about \$10/mo.



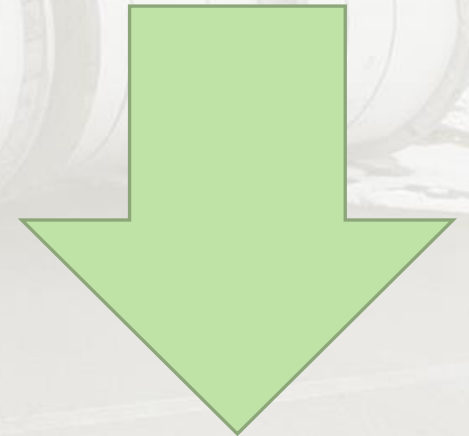
**Traditional Borrowing
Consumer (loans, bonds)**



**= Higher
Prices**



**Grants &
Creative Finance**



**= Lowers Prices for
Consumers**

Workforce Development Plan

Build-out requires the construction of 8,000 miles of fiber over a 5-year period and will require:

- 200 fiber optic technicians
- Tree-trimmers
- Electric utility line workers
 - Apprenticeship programs
 - Tuition assistance – Pay it Forward
 - Job placement
 - Earn-to-learn program
 - Centralized resource for sourcing workers
 - Collaboration between VCBB, Vermont Department of Labor, the Vermont Agency of Commerce and Community Development, CUDs, the Vermont Technical College, Vermont State Colleges, and industry leaders.



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Digital divide is the issue.
Digital equity is the goal.
Digital inclusion is the work.

Vermont Community Broadband Board

- *Questions?*

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Communications Union Districts
Contact info:
<https://publicservice.vermont.gov/content/vermont-communications-union-districts>

