

House and Senate Committee Presentations January, 29, 2025

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# Vermont Communications Union Districts

Developed under the direction of hundreds of community volunteers.



### About the Communications Union Districts

- Each CUD is organized as a multi-town municipality as a result of a Town Meeting vote to create a CUD. Towns may join a CUD via a Select Board vote.
- Each town appoints representatives to participate directly in the CUD governance and transparent administration, including compliance with Open Meeting Law.
- **Committed to universal service** will reach every on-grid address starting with the currently unserved and underserved.
- **Accountable and Transparent** Town representation in governance assures grassroots involvement, transparency, and accountability.
- **Public Ownership** All assets funded by the CUD are owned by the CUD municipality.
- **Private Partnership** CUD have partnered with commercial partners to operate the CUD infrastructure.
- CUDs do not have general tax or bond authority: public control without local tax financing.

Communications union districts (CUDs) were created ... to coordinate and implement creative and innovative solutions in their respective territories, particularly where existing providers are not providing adequate service that meets the needs of their residents and businesses ... vermont Act 71 2021; Findings and Intent (13)





The Vermont Communications Union Districts Association serves to unite the interests of Vermont's municipal internet networks, devising ways to share resources and voicing CUD consensus on critical policy issues.

- Unites the interests of Vermont's municipal internet networks
- Devises ways to drive efficiencies
  - Shared Procurement
  - Financial and Technical Best Practices
  - Utility company coordination
  - Understanding State, Federal grant, and compliance requirements
- Voices CUD consensus on policy issues

Each CUD appoints a representative and alternate member to VCUDA. VCUDA currently maintains part-time staff and contractor support.

## Vermont's Own Way: Key Takeaways

- Vermont's combination of low population and difficult topography created an Internet desert
- Vermont's grassroots-developed solution: CUDs
- ECFiber is the successful feasibility study, the proven business plan, and the legislature's chosen model for delivering broadband services to every premises on the grid in Vermont.
- This is not about serving 60,000 previously underserved addresses it is about bringing world-class broadband to the state as a whole.
- The 60,000 number would be 75,000 without ECFiber's work over the past 15 years
- ECFiber's success in the bond market means new CUDs have ready access





### CUDs are rapidly expanding to unserved areas 2024 delivered 1<sup>st</sup>-time fiber broadband service to many Vermonters





"Broadband internet service from DVFiber was a key factor for me starting my own business and prevented us from moving elsewhere. We didn't want to leave Vermont, but needed work and finally came to the decision that it was our only option to survive. Our line of work necessitated high quality, high-speed internet for remote work opportunities."

Peder Rude, DVFiber Customer, Readsboro Resident, Business Consultant

"Vermont as a state offers so much of what we are seeking in the way of community connectedness, beautiful landscape, schools, recreational opportunities and a general set of values that we relate to. What is deeply missing at this time in our state's history is rural and reliable high-speed internet.

The work of CVFiber and other communication districts is historic and deeply important."

Megan and Matt McLane, CVFiber Customers, Worcester Residents, Occupational Therapist and Educator



The Goal: Statewide World-Class Broadband (>=100/100) via Fiber-to-the-Premises (FTTP)

- FTTP only technology <u>certain</u> to deliver.
- LEO Satellite and Wireless Challenges
- Long-term Infrastructure
- CUD-controlled infrastructure enables upgrades and pricing/consumer protection considerations

### Broadband Progress in Vermont Addresses "Served"

Vermont tracks "served" addresses as locations with at least 25 Mbps down and 3 Mbps upstream capable technology.

All new grant funded activities have been required to provide a minimum of 100/100 down up since 2021.

Data taken from VCBB Vermont Broadband Status dashboards.

VCBB Broadband Address Status	2021	2022	2023
Addresses Served	246,583	254,748	273,052
Addresses Unserved	64,050	58,309	40,702



## Funding sources to achieve <u>Universal Service</u>:

**Broadband Capital Resources** 



## The Road Ahead



#### **Continuation of existing deployment programs**

- Continued expansion: DVFiber, ECFiber, Maple Broadband, NEK/CV Broadband, Northwest Fiberworx
- Project closeout and sustainability for Lamoille Fibernet, Otter Creek, Southern VT CUD

#### Participation in Federal "Broadband Equity Access and Deployment" Program

- Replaces the simpler ARPA-funded state program
- Complicated competitive program that CUDs will compete in.

#### **Cross-CUD collaboration, Efficiencies, and Maturation**

- VCUDA supporting financial, grant, and policy coordination
- Small groups of CUDs collaborating on shared interests

## **2025 VCUDA Legislative Priorities**



### Maintain existing Act 71 Programs



- CUD model is working; tens of thousands of addresses have been served (for the first time) with fiber as a result of this law in just a few years.
- Provides context and guidance for further investment.
- Critical to continuing development of community broadband in Vermont's most rural unserved and underserved areas.

**Maintain Vermont Values & Legislative Direction in BEAD** 

**Community Broadband is about Vermonters.** Led by experts and hundreds of community volunteers, Vermont and its Communications Union Districts are on the move, delivering world class broadband where it has never been available before.



### **CUD Contact Information**

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Otter Creek CUD

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